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The Trouble With Teenagers

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Chester E. Finn, Jr.

Should We Discourage Teenage Marriage?
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The high school dropout puzzle

CHESTER E. FINN, JR.

SECOND ONLY TO the plague of drugs among young people, the dropout problem has lately emerged as perhaps the highest profile issue in American education. It has been the subject of congressional deliberations, headline articles in newspapers, special issues of respected journals, features on network television (one of which recently termed it "a problem of staggering proportions"), and crash programs mounted by state and local school systems and myriad education organizations.

The dropout problem is sometimes depicted in language reminiscent of the 1968 Kerner Commission report on "civil disorders." At a House hearing in May 1986, reported the Associated Press, Chicago school board president George Munoz said "the United States stands in danger of developing a 'two-tiered' society like some South American countries with an elite strata [sic] of educated people and a lower tier of people locked in poverty because of their lack of schooling." Grave consequences are forecast: "By failing to educate large numbers of students," avers a panel on "children at risk" led by Marian Wright Edelman of the Children's Defense Fund and Harold Howe II, former U.S. Commissioner of Education, "schools actively help to perpetuate disadvantage and contribute to multi-

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generational cycles of poverty." Breast-beating and self-flagellation are engaged in: "We must not allow these students to continue to slip through the cracks of despair and failure by our shortsightedness and insensitivity to their special needs," testifies an official of the National Education Association.

A flurry of activity

The dropout problem is not just a subject of heated discussion; it is also the object of much activity. Programs are being devised and mounted all over the place. The "Dropout Prevention and Re-entry Act" legislation that was before Congress in 1986 would authorize fifty million dollars a year in federal funds for dropout-plagued school systems. Other bills would dismember the new education block grants into an array of old-style categorical programs, including "dropout prevention" activities. Nor is federal spending for this purpose limited to fresh legislative proposals. The Congressional Research Service has identified dozens of existing programs, totalling billions of dollars annually, that are said to assist dropouts or deter potential dropouts in various ways. Locally, it is difficult to find a major school system without a "dropout prevention" program, more commonly a set of them, including specialized offerings for erstwhile dropouts who want to return. In New York City, for example, thirty-eight million dollars a year has been going into such programs (with ambiguous results) and one of the city's most effective high school principals has been brought to system headquarters as coordinator of these efforts.

States are also engaging the issue. Dropout prevention plans are sailing through legislatures. These include additional resources —California is giving each of four hundred dropout-prone schools a special grant of forty thousand dollars and an "outreach consultant"—as well as norms and sanctions. In Florida, for example, the Dropout Prevention Act of 1986 obliges each local system to submit a dropout prevention plan or risk losing state funds. Reducing dropouts was prominently featured in the education-reform reports prepared by task forces of governors and unveiled at the National Governors Association meeting in August 1986.

The private sector is involved, too. A philanthropist recently launched a national center on dropout prevention at Clemson University. The Ford Foundation is making grants to twenty-one urban school systems. A nationwide nonprofit corporation called "70001," supported by business, foundations, and the United States Labor Department, provides job training and high school equivalency

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education for dropouts. The Manpower Development Research Corporation has been doing much the same thing. The Council for Economic Development has been pressing for dropout prevention and remediation activities as part of its grand design for education reform.

And the education profession has been investing some resources of its own, as well as much palaver. The National Education Association is the most visible of the "establishment" groups on this issue. Practically everyone has by now seen its public-service advertisement depicting half a dozen unkempt young people idling outside the schoolyard fence (or is it a prison yard?). And, through a subsidiary called the National Foundation for the Improvement of Education, the NEA is piping an announced $1.7 million of its own dues money into "Operation Rescue," a dropout prevention and remediation strategy.

Why all this attention, activity, and expenditure? Stated simply, the number of American public high school graduates each year is approximately three-quarters the number of persons who were enrolled in ninth grade three years earlier. (It may be noted that on time *college* completion rates, i.e., those who receive bachelor's degrees in four years, are far lower.) That implies a twenty-five percent "dropout" rate during the high school years, a national ratio that has held quite steady for the past decade. But reports from individual communities indicate that the rate is substantially higher in some cities—not too surprising, inasmuch as the nationwide figure is an average. It is these localized accounts that have elicited most of the headlines. Perhaps the best publicized "scare" statistics come from Chicago, which recently estimated a 43 percent dropout rate, and Boston, where it is reported that fewer than half of public high school entrants graduate on schedule. Hence the conventional view: One in four of our young people is failing to get through high school and that ratio is far higher in the cities, with the problem especially severe among minority youngsters. This is a shame, a scandal, and an outrage. Surely something must be done.

But the conventional view of the dropout problem turns out to be an amalgam of oversimplification, distortion, self-interest, confusion, and the clothing of other goals and agendas within a "motherhood" issue that practically everyone can get exercised about. Regrettably, there is little reason to suppose that the strategems most often urged by holders of the conventional view will succeed; some reason to worry that they will impede other reforms, perhaps even to be intended for that purpose; and ample reason to wonder why more straightforward remedies are not prescribed.

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Counting the dropouts

Not the least of the confusions one encounters in grappling with the "dropout problem" are the absence of stable definitions and the dearth of satisfactory data. Is it correct to brand someone a dropout if he returns to school after a time and goes on to graduate? What of the individual who remains enrolled but—due to truancy, inattention or old-fashioned academic failure—does not graduate on schedule? How about the person who earns a "high school equivalency" certificate but not by attending classes in school? And how is one to count the handicapped or retarded child who spends much time in school but does not "graduate" in the conventional sense or on the standard timetable?

Simply counting dropouts is trouble enough. The traditional statistics gathered by the Department of Education actually measure the "on-time high school graduation" rate while local data are more apt to tally the departures from school of individual youngsters. Yet definitions vary widely. At the local level, a boy or girl may be enumerated as a dropout who transfers to private school, who joins the army, who takes a leave of absence to work or have a baby, or whose family simply moves to another community. Nor are the tallies comparable from one school system to the next. After looking closely at dropout tabulations in six large cities, New York University's Floyd M. Hammack concluded that "there is no single or standard definition utilized by the school systems contacted. Moreover, rates are calculated differently and include different data."

The confusion of definitions, unreliability of the data, and noncomparability of the estimates would only be of academic interest were this a low-stakes issue, akin to the disappearance rate of erasers from the chalkboards of the nation's schools. But many have come to see the dropout rate as emblematic of the nation's overall education performance, a number invested with extraordinary significance, rather like each year's average SAT score. Indeed, just as the SAT is probably the most widely used gauge of American education's qualitative performance, so is the school completion rate emerging as the best-known metric of quantitative performance by our schools. We also use it as a general indicator of "how we're doing" as a nation. A "high dropout rate" is often cited—along with poverty levels, welfare rates, out-of-wedlock births, and crime statistics—as powerful evidence of social pathology and, almost as often, as self-evident justification for comprehensive intervention strategies of one sort or another.

What is more, school-completion and dropout data are entangled with such worldly considerations as how much aid a local school

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system receives from its state. Since these formulas are generally based on attendance or enrollment figures, the local superintendent or school board with a great many dropouts is apt to receive less money. Particularly with the total size of the high school age cohort shrinking, maximizing the percentage of those young people who are enrolled in school—public school—brings in more revenue, makes it easier to mount new programs, avoid laying off surplus teachers, and keep open buildings that may otherwise be judged surplus. Hence school systems have every reason to maximize enrollments and to reduce dropouts.

Moreover, we tend as a society to believe that education is good for people, that a high school diploma is good for individuals, and that a well-educated populace is good for the nation. Few now dispute those claims, though it must be noted that only in the twentieth century did we come to regard universal *access* to secondary education as a general right and only much more recently have we come to think of universal participation as a plausible standard to set for ourselves. "Not until the 1930's," writes historian Diane Ravitch, "did the idea of universal high school attendance gain currency."

If we look at a different set of data, we see that the United States has made steady progress over the past fifty years with respect to secondary school completions. Instead of examining the administrative records of public school systems and state agencies, which is how the Department of Education gathers its graduation data, the Census Bureau annually surveys a sample of the American population itself, asking people *inter alia* how much education they have had. According to this indicator, we have been making remarkable headway. The proportion of the adult population (age 25 and over) that had completed at least four years of high school stood at 13.5 percent in 1910; at 24.5 percent in 1940; at 55.2 percent in 1970; and at 73.9 percent in 1985. That trend line has sloped upward throughout this century.

If we look only at the *young* adult population, where these changes show up faster—inasmuch as few quinquagenarians are still acquiring high school educations—the numbers are yet more striking. The proportion of 25 to 29 year olds reporting completion of four years of high school (or more) stood at 38 percent in 1940; at 61 percent in 1960; at 83 percent in 1975; and at 86 percent in 1985. People in their early thirties report even higher rates. Among young adults, the race gap in educational attainment (at least as gauged by high school completions) has also been closing fast. In 1960, only 39 percent of minority young adults had completed high school,

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compared to 64 percent of whites. The corresponding figures in 1985 were 82.4 and 86.8 percent.

The seeming contradiction in the data leaps out: we are riveted by an on-time high school completion rate that has held fairly steady around 75 percent for quite some time; but the percentage of young adults who say they have completed high school is at 86 percent (though it, too, seems to have levelled off at that point). We might view ourselves in a rather different light if we visualized just one young American in *seven* failing to acquire a secondary education than when we understand it to be one dropout in *four*. Yet six completions out of seven people seems to be closer to the truth, and so does almost five completions out of six among minority groups.

The Census data, to be sure, are not perfect. They exclude persons who are in the military or are institutionalized. And because they rely on self-reporting, or on what one member of a household understands to be the educational attainment of other members, they are vulnerable to faulty memories, misinterpreted questions, and simple lying.

An impermanent condition

Still, the discrepancy between the 75 percent on-time high school graduation rate and the 86 percent completion rate reported by young adults is large enough to demand explanation. And the primary explanation is not hard to come by. Indeed, it is characteristically American: We don't all follow the same paths to similar destinations, nor do we all proceed at the same pace. A lot of people who do not graduate from high school "on time" do eventually graduate, if not from their original high school then from another one, or from the equivalent of a high school. The latter may not even be an institution in the ordinary sense, for the practice of "high school equivalency" testing has spread rapidly in recent years. Today, almost half a million persons acquire an equivalency credential each year from the largest of these testing arrangements, the "General Educational Development Testing Service" (GED), and others get similar certificates from other offerers, including a number of states. South Carolina and Virginia issued ten thousand such credentials in 1985. (For comparison, 2.9 million conventional diplomas were awarded by the nation's secondary schools.)

Whatever one may think about the intellectual worth of the education acquired through "equivalency" courses and autodidacticism, as a society we ordinarily accord to the possessor of such a certificate the rights and privileges associated with a traditional high

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school diploma. It should, however, be understood—and this may help explain the fervor with which public school educators have embarked on "dropout prevention schemes"—that the school system gains no revenues when people complete their educations outside its confines.

Other dropouts simply return to high school after a period away, perhaps because they've concluded that they need a diploma after all, perhaps because they're tired of menial labor, goofing off, or hanging out. Withal, according to analyses by Andrew Kolstad and Jeffrey Owings, using data from a study of 1980 high school sophomores who had dropped out by 1982 (when they would ordinarily graduate), by the spring of 1984 almost two in five of them had completed their high school diploma requirements or had acquired equivalency certificates. Another one in ten had returned to school but not finished (i.e., had dropped out again or was still enrolled as of 1984). This means that within four years of being tenth graders, *half* of those who dropped out had returned to school (or the equivalent) and about three-quarters of those who returned had completed their secondary educations. Further follow-ups of this cohort will doubtless show additional completions. Certainly, this has been the usual pattern. Writes Aaron Pallas of Teachers College: "The noncompletion rate for 31- to 34-year-olds is approximately half that of 18- and 19-year-olds."

It is no secret to young Americans that they are better off with a diploma than without—and those who do not understand this when they quit school are apt to figure it out soon enough. Queried as to the wisdom of their decision to leave school, more than half the dropouts in the 1980 sophomore cohort had concluded within two years that it was not a good decision.

Of course they were correct. Not only is a high school diploma an important status credential in American society, it is also a ticket to prosperity. Charles Murray estimates that 91 percent of all adult males with a high school education have family incomes more than twice the federal poverty level. "To avoid poverty," Murray writes, "go to a free public school and complete high school. Get into the labor market and get a job, any job, and stick with the labor market. Do so, and the odds that you will be poor are small."

It is well known that high school graduates land higher paid jobs than dropouts and have substantially greater lifetime earnings. In 1985, individuals who had completed twelve years of school (but no college) earned considerably more than persons with nine to eleven years of school—26 percent more for men and 31 percent for women—

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and, of course, still more than those with fewer than nine years of school. During a lifetime of employment, high school graduates (with no college) were expected—as of 1979—to earn two hundred thousand dollars more than those who did not complete high school. High school graduation is also usually a prerequisite for college attendance, which further improves employment prospects and boosts earnings.

Moreover, those who have completed high school possess substantially stronger coping skills than those who have not. The recent study of young adult literacy by the National Assessment of Educational Progress found—amid a generally dismal showing—that performance on all three of its literacy measures (prose, documents, quantitative) varied rather systematically with the amount of formal education acquired. Half the high school graduates, for example, could manage such "document" tasks as using a map to follow directions from one place to another, while only 22 percent of young adults with nine to twelve years of schooling could handle tasks of this complexity.

Hence, it is small wonder that most dropouts make an effort to rectify matters and that many of those eventually see high school through to some sort of credential-bearing completion. Nor is it surprising that a huge and varied education system, within a culture that practically never declares anyone to have gone beyond the possibility of redemption, makes possible all manner of alternate routes and second chances for those who seek them. Thus, it is incorrect to view dropping-out as a static or permanent condition in the United States. It is a stage in the lives of many people, sometimes brief, sometimes protracted, but always susceptible to change.

The matter of expectations

The same system that welcomes one back to school later puts few barriers in the way of leaving in the first place. The single most perverse—though seldom discussed—aspect of the dropout issue is that we have made high school graduation a matter of individual volition. Though cultural values and social norms in many strata of American society frown on dropping out, no law or regulation prevents it. While every state obliges children to attend school for a long time, and makes available free public education for all, no state requires anybody to complete high school, and only nine states oblige young people to attend until their eighteenth birthday—the conventional age of graduation.

Compulsory attendance laws vary considerably in both starting and ending ages, but thirty-five states allow adolescents to leave

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school upon attaining their sixteenth birthdays or (in Mississippi) even younger. Moreover, though it commonly takes twelve years to complete both primary and secondary school in the United States, only eight states require attendance for that long a period.

Twelve years of schooling does not, of course, assure high school graduation. A year may be given over to kindergarten; one may have to repeat a grade in elementary school, or fail to take the requisite courses while in high school. Still, it is noteworthy that of the five states requiring children to attend school throughout the traditional twelve-year span from age six to age eighteen, four have higher graduation rates than does the nation as a whole.

But requirements matter little if voluntary compliance is spotty and enforcement erratic or ineffectual. No state admits that it is lax in enforcing its compulsory school attendance law. Yet virtually all of them entrust compliance to local public school systems, and it is common knowledge within the education profession that many school systems are less than punctilious about this. The *Los Angeles Times* reporter David Savage recently wrote that the compulsory attendance law in California is "massively violated."

The school system, of course, is not a very effective law enforcement agency. It cannot jail or fine anyone for truancy or other forms of nonattendance. Though not sending one's child to school during the prescribed years is a misdemeanor under the laws of almost all states, punishing parents is rare. Courts are busy with crimes that have victims. Unless a youth makes trouble while out of school, the police are not inclined to focus on him. Moreover, the parents of youngsters most apt to drop out are likely to be parents unaccustomed to—or not very effective at—exercising close supervision of their children. Hence, after a survey of state enforcement practices, Patricia Lines, then-director of the Law and Education Commission of the States, concludes that "most of the officials interviewed were of the opinion that the severity of the sanction had little impact on truancy. Further, jailing a parent because the parent has failed to meet the law's requirements always runs the danger of injuring the one to be protected—the child. Expelling the child seems equally futile."

It is unlikely that we will start to incarcerate nondelinquent truants or the parents of dropouts. Besides the costs, American society seldom imposes severe penalties on the perpetrators of victimless crimes, especially when—as in the case of school attendance—the basic cultural value says do it because it is good for you, not because the law requires it. Still, evidence suggests a clear relationship between today's truant and tomorrow's dropout. One Illinois dis-

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trict that tracked 240 chronically truant youngsters found that just seven of them ever graduated from high school and none of the others had obtained an equivalency certificate by the age of twenty. Surely we could strengthen the incentives for school systems to enlist parent help and community support in getting more youngsters to come to class. Only twelve states now base their school-aid formulas exclusively on *attendance* figures—the number of children actually in class on a given day. Others mainly consider "enrollments": The number of youngsters who are carried on the rolls and *ought* to be in attendance. There is scant reason for a school system to spend money on the salaries of truant officers and attendance monitors if improved attendance yields no more revenue, particularly if the youngsters most apt to be truant are also those whom teachers and principals find hardest to deal with. Nevertheless, there is evidence from small towns, large cities, and whole states that vigorous efforts to locate absentees, contact parents, make life less pleasant for repeat offenders, construct fiscal incentives, enlist the cooperation of local colleges and universities, and launch community-wide school attendance campaigns do result in more pupils sitting in the classrooms.

That does not mean they are learning anything. It surely does not mean they will not drop out later. Only under a totalitarian regime can people be obliged to memorize multiplication tables, and even they cannot be made to want to move on to trigonometry. But let us at least be clear about the signals we send: So long as school graduation is optional, so long as attendance through age eighteen is required in few places, and so long as enforcement of existing attendance laws is lackadaisical, we surely convey the message that high school completion is not one of our societal absolutes.

Besides attendance laws, other incentives and disincentives influence the cost-benefit calculus of the prospective dropout. Most male and many female dropouts go to work. Should this be easy or difficult for them? Should laws regulating child labor be better synchronized with school attendance laws, or would this have unwanted effects, such as forcing the money-minded dropout into extra-legal work of some sort?

Ought we to require a high school diploma, or the equivalent, as a condition of obtaining more of the goods, services, and benefits that people crave? An obvious instance is postsecondary education itself, which in some instances today is "post" only in the sense that it follows secondary education, not because one is required to have completed high school before commencing it. Some 8 percent of four-year colleges and 17 percent of community colleges do not

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demand a high school diploma (or even an equivalency certificate) as a condition of entry. Among "less than two year" postsecondary institutions—vocational and technical schools of various kinds, many of them proprietary—almost one in three sets no such requirement.

Hence, students who have never completed high school can gain access to higher education. Remarkably, they can also obtain financial aid from various sources, including the federal government. For the past decade, major student aid programs have been open to nongraduates who are admitted to study in postsecondary institutions that determine they have the "ability to benefit" from instruction. This vague and lax requirement occasions the expenditures of several hundred million dollars a year in federal aid to students lacking high school diplomas. Most of them attend proprietary schools where, according to the General Accounting Office, they are much more prone to dropping out—yet again—than are matriculants with conventional credentials.

To be sure, one may regard postsecondary education as an attractive option for the student who never completed high school, a way of enticing him back for more of what he needs without going through all the rigamarole of high school graduation. For substantially older students, this has surface plausibility (though the ease with which even an older student can obtain a high school equivalency certificate makes that surface little more than a thin veneer). In general, though, the ability to enter a postsecondary institution—and obtain public subsidies to do so—without having completed high school can only be deemed an added temptation not to graduate. Surely if we think it reasonable to be able to attend college without having completed high school we should not get so stirred up over high school noncompletions. Conversely, if we feel strongly about high school diplomas we should make their possession a firm prerequisite for further education.

Who drops out—and why?

If we do not force people to complete school, nor make it costly and unattractive for them to do otherwise, then only two strategies remain for reducing the dropout rate. One, already noted, is to keep the door open and wait for people to realize how their own interests are best served, confident that in time many will voluntarily return. The second is to alter the schools themselves, attempting to eliminate attributes that may encourage young people to drop out and to supply features that will make staying in school more attractive. This last alternative is where discussions of dropout pre-

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vention ordinarily start, at least among educators. Seldom are the other three strategies even noted. Yet this approach is apt to be the costliest and least reliable, albeit the strategy most akin to the ways the education profession commonly approaches issues.

In order to be at all confident of the efficacy of school changes as an approach to dropout reduction, one must first answer "yea" to three questions: Are we sure that the primary forces leading young people to drop out are rooted in the school or school system rather than in the young people themselves, in their personal environments, or in trends and developments of the larger society? Do we know *how* to alter those forces? And can we do so without incurring unacceptable costs, either in dollars or—perhaps more important—in terms of other goals and clients of the education system? A great many education professionals insist that all three questions have self-evidently affirmative answers and that we should get started. Unfortunately, the education professionals may be wrong.

When we set about to isolate the causes of dropping-out, we find that there is no fully satisfactory "causal" research relating to school factors. What we have are descriptions of the characteristics of the dropouts themselves and poll-type responses from dropouts asked to explain *why* they left school.

The demographics hold few surprises. Dropouts share many attributes of the "underclass." As a team of researchers at the Educational Testing Service (ETS) summarize the evidence:

> The two background characteristics that are most strongly related to dropping out are socioeconomic status and race/ethnicity. Students of lower socioeconomic status have been consistently shown to have higher dropout rates than high socioeconomic status students. Dropout occurs more often among Hispanics than among blacks, and more often among blacks than whites. Other background factors associated with dropout include coming from a single-parent family, coming from a large family, and living in the South or in a large city.

The dropout's prior encounters with school are also pretty much as expected. Again, the ETS research team:

> Low academic achievement, as indicated by low test scores and low grades, has also been consistently associated with high school attrition. Low scores on standardized tests have been found to be good predictors of dropout. Academic failure, as indicated by low grades, is also consistently related to dropout. Students who become dropouts have been shown to be dissatisfied with school and to have lower self-esteem. Students with no plans for postsecondary education have also been shown more likely to become dropouts.

Along with hapless demographics and lagging educational achievement, dropouts have a third set of characteristics: misbehavior of

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various sorts. While in school, they were far more likely to have assembled a record of cutting classes, or tardiness and truancy, of discipline problems, and of having been suspended or put on probation. Outside school, the future dropout is more likely to have held a job, to have been in trouble with the law, to have spent his spare time joyriding and dating. At least some of that "dating" must be fairly intense, for many female dropouts cite pregnancy as a major reason for leaving school. This was the case with 23 percent of female dropouts from the 1980 sophomore class.

To be sure, the most frequently cited reasons for leaving were associated with school itself. These turn up in affirmative answers to such survey possibilities as "had poor grades" and "school was not for me." But being school-related does not mean that they are school-caused. They may have their origins in the individual, his family, or social class. Analyzing the correlates of dropping out, Michael Borus and Susan Carpenter found five to be important: being two or more years behind grade level; being pregnant; coming from a household where the mother or father were not in the home when the youth was age fourteen; coming from a household where the father dropped out of school; and having relatively little knowledge of the labor market.

Only the first of these is closely school-related, and the school cannot always be judged the cause of a student lagging behind grade level. He may have low ability; decline to study; not attend regularly; and so on. Moreover, "grade level" is ordinarily an average, not a minimum. Roughly half the students are destined to be below it. As is so often the case, economic and family circumstances turn out to explain more than race. "After controlling for such other factors as being from a poverty home and education of father," Borus and Carpenter concluded, "black youth are *less* likely than white youth to drop out of school (emphasis added)."

To the degree that dropping out is caused by factors beyond the school's control, the symptom is not likely to be eradicated by school-based remedies. Insofar as it is a manifestation of linked social pathologies and inherited characteristics, it is more like "going on welfare" or "committing a crime" than like the commonplace problems of school effectiveness that are susceptible to alteration within the framework of education policy and practice: an ill-chosen reading curriculum, say, insufficient writing practice, or the absence of a language requirement. Moreover, if the dropout problem is more accurately seen as a symptom of the "underclass" phenomenon than as an education issue, then school-based solutions are not apt to yield much more success than changes in the delivery-room pro-

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tocols of obstetricians are likely to alter the incidence of out-of-wedlock pregnancy.

Many educators and others who urge bold action to deal with the dropout problem take a broad view of its sources. Perhaps too broad. The NEA publication is representative of this genre. It acknowledges that the causes of dropping out are "complex and interrelated" and mentions "academic failure, pregnancy, substance abuse, criminal behavior, unemployment, low self-esteem, alienation, getting a job to meet immediate economic needs, and even boredom . . . almost always occuring in combination." It calls for "visionary leadership by educators, business leaders, community organizations, and government. . . . There are no simple solutions. We must all work together." Thus the familiar rhetoric of general social reform: no one in particular is responsible for the problem, certainly not the individual who manifests it, and everyone must join hands in a hazy, albeit well-intentioned, effort to solve it.

"Push-out" or dropout?

But among educators there is also a recurrent tendency to depict the school itself as the proximate cause of dropouts. The phrase "push-out" is sometimes used. Thus the Institute for Educational Leadership concludes that "students drop out largely because of school-related problems. . . ." And Erwin Flaxman and Carol Riehl of the Teachers College Institute for Urban and Minority Education depict as a fundamental analytic breakthrough the shift from examining "background characteristics, attitudes, and behaviors of dropouts" to "new forms of research [that] take school context as problematic and study how characteristics of schools . . . affect dropping out."

There is nothing wrong with peering into the schools to see whether features specific to them may be associated with dropping out. Such inquiry is apt to resemble the "effective schools" research of recent years, not least because the populations with which "effective" schools were found to make the largest educational difference —disadvantaged youngsters, mainly—are the same populations with the greatest proclivity to drop out.

Lacking good longitudinal data that allows high school performance (including dropping out) to be tracked back into the elementary grades, we cannot be certain what school features are associated with high and low dropout rates. Even where we find associations, we cannot readily winnow cause from correlation. It is fairly clear, for example, that academically successful youngsters are less likely

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to drop out, no matter what their external circumstances, but those circumstances will already have powerfully influenced their chances of achieving academic success. We see this in a recent examination of Chicago high schools, which found that students attending selective institutions with admission standards were far less likely to drop out than their age-mates in nonselective schools. Indeed, black students attending the selective schools were even less likely than whites to drop out. This corresponds precisely and predictably to James Coleman's recent finding that private school students—at least those enrolled in church-affiliated institutions—are less apt to leave school than their public school counterparts. Unfortunately, such discoveries do not support the causal inference that attendance at private or selective public schools *reduces* the likelihood of dropping out; it may well show only that students with the personal and family characteristics that lead them into such schools in the first place possess qualities that will usually cause them to remain until graduation.

Still, we know that youngsters' eventual educational attainment can be predicted in part on the basis of their school performance as early as third grade, and that some of the early predictors—such as reading achievement and language skills—are vulnerable to alteration by the schools. We also know that high school students enrolled in "general" and "vocational" rather than "academic" tracks are more apt to drop out—and that pupil assignment policies are likewise susceptible to school control. So it is not fruitless to continue the quest for school-related variables that may bear on the dropout issue, provided we do not overstate the prospects for solving the dropout problem by manipulating those variables.

It needs to be borne in mind, after all, that for a quarter century or so American educators have devoted considerable effort to constructing programs meant to entice the enrollment and secure the attendance of otherwise uninterested students, usually at the expense of serious academic work, and that such inducements as more electives, greater curricular "relevance," and less exacting standards have had no palpable effect on the dropout problem.

Hence we need to be wary of diagnoses that associate dropping out with academic failure or frustration in school, a linkage apt to be used as an argument against education reform itself, specifically against the across-the-board lifting of standards that is the central theme of the contemporary "excellence movement." Because no one opposes higher standards *per se*, arguing in defense of the status quo is not a promising strategy. But depicting the excellence movement as a *cause* of the dropout problem, associating standards-raising with hapless victims who then quit school, and enlisting the soci-

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ety's commitment to equality as a way of infiltrating and weakening the school reform movement—that is a clever ploy indeed. Thus the Institute for Educational Leadership, in its 1986 report entitled *School Dropouts: Everybody's Problem*, asserts that:

> New requirements for graduation and promotion adopted by most states may put more students in danger of dropping out. Upgraded standards do not always take into account the wide diversity of students, and the standards come with little funding for remedial programs. Increasing the number of required courses, exerting rigid constraints on how time during the day must be used, and enhancing course content may require teachers to spend more time on adding units and less time on individualizing approaches to assist students who are falling behind. In addition, some suggest that requirements such as those stipulating that students must earn C-averages in academic courses in order to retain eligibility for sports and extracurricular activities may strip "at-risk" students of the few incentives that keep them in school. . . .

A Johns Hopkins research team concludes that:

> If academic standards are raised and students are not provided substantial additional help to attain them, it seems plausible to expect that social and academically disadvantaged students will be more likely to experience frustration and failure, resulting in notable increases in absenteeism, truancy, school-related behavior problems, and dropping out. . . .

And the director of the Council for Educational Development and Research opines that "reform may just drive more of those students bunched at the lower end of the achievement scale out into the street."

Slowing the excellence movement

But the major tactic of those who would link standards-raising to a worsened dropout rate is not to assault quality reforms as such. It is to press for policies and practices that would have the inevitable, albeit unstated, effect of slowing the excellence movement. These typically include less reliance on testing as a determinant of promotion and graduation; a more diverse and elective-rich curriculum with less of an academic focus; looser and less discipline-minded forms of school management; and the reallocation of resources from core subjects into an array of special services for "at-risk" students.

Consider these recommendations from the NEA's *Blueprint for Success* plan for dropout prevention:

- Emphasize affective education in the program and in the curriculum.
- Offer choices; make the curriculum meaningful to the student's reality —here and now.
- Offer life planning in the curriculum.
- Design a flexible schedule for those unable to attend school during usual school hours.

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- Provide noncompetitive instruction; encourage cooperative group learning.

Of course such nostrums are familiar to NEA-watchers. It was this type of advice that got American education into trouble in the first place, at least in terms of rigor, standards, and cognitive achievement. Policymakers, business leaders, and crusading reformers may not be readily seduced again. But their efforts could be retarded by two developments that NEA-type rhetoric could generate: resistance on the part of teachers and principals, persuaded by their leaders, journals, and professors that standards are bad for children; and a heightened disposition on the part of the general public to view the recent reforms as dysfunctional, counterproductive, even cruel.

One encounters the further suggestion that the climate of order and discipline that characterizes "effective" schools, and which is a central norm of the present excellence movement, will push youngsters to drop out by stifling their creativity, curbing their individuality, even contravening their rights. The National Coalition of Advocates for Students discusses schools in the language of "disenfranchisement," of students as victims of externally imposed rules and regulations, rather than "democratic actors within a school community," even of teachers as "excluded from most levels of decision-making." The former National Institute of Education director Harold Hodgkinson grumbles that schools have an "underlying agenda stressing silence, order, control and competition"—a veritable incitement to rebellion, leading in turn to disciplinary actions that then induce youngsters to drop out.

And if a school's norm of good behavior does not cause you to drop out, perhaps its core curriculum will. A new task force report on the "epidemic" of minority dropouts in New York State, after citing some authentic and worrisome statistics, asserts that youngsters leave school in part because the education system operates as "a melting pot enforcing cultural sameness."

Those especially concerned about the problem typically urge multifaceted "dropout prevention" programs within the schools. A good sampler of the elements of such programs appears in the list of uses to which new federal funds could be put under the "Dropout Prevention and Reentry Act of 1986" that was approved by the House Committee on Education and Labor in July (though this was not finally enacted by the Ninety-ninth Congress, something of the sort is virtually certain to become law in 1987):

> Activities to provide direct services to dropouts and potential dropouts, such as guidance, counseling, and social work services; ombudsman and

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mentor services; services addressing poor achievement, language difficulties or course failures, including extended day or summer programs; and work-study, apprenticeship, or internship programs.

Funds under the Act may also support activities that will help improve a school's ability to assess and deal with its dropout problem. These include such activities as establishing system-wide or school-level policies, procedures, and plans for dropout prevention and reentry; training school staff in identifying students at risk of dropping out and intervening at the classroom level; reviewing curriculum; evaluating the program placement of students at risk of dropping out; improving student motivation and the school learning environment; studying the relationship between drugs and dropouts and youth gangs and dropouts; and coordinating programs under this Act with drug prevention and youth gang prevention community organizations.

For the most part, such descriptions sound like what sensible persons would expect schools concerned by the dropout problem to be doing in the first place, without need of special federal intervention programs. More striking, however, is their uncanny resemblance to so many earlier cycles of identifying special target populations within the education system. Change just a few words and we could be reading about programs for the disadvantaged, for minority youngsters, the handicapped, the non-English speaking, and so on. One can only suppose that dropouts are on their way to becoming a new "sheltered group" within the education system, to be safeguarded by their own array of protections, special services, and costly interventions. This is particularly striking when we recognize that the category called "potential dropouts" essentially includes every child!

Thus the time-honored sequence is again underway. Define in terms of school policies and services a problem that may or may not have its actual roots within the formal education system. Associate a subpopulation that manifests this problem with other categories already enjoying special status within the schools. Describe the eventual social cost of not solving the problem as far larger—in both human and dollar terms—than the up-front investment of money required to pay for services aimed at its solution. Point out that general policies aimed at broad educational goals may adversely (if unintentionally) affect the special population, hence may need to be rethought. Talk about the need to realign priorities and reallocate resources from education-in-general to the provision of special services for the sheltered population.

The curious thing about school-based "dropout prevention" programs, however, is that we have already had enough experience with them to doubt their efficacy. "Conclusive evidence documenting significant program effect is even more rare than careful evaluation in this field," writes Professor Dale Mann of Teachers College.

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Though "virtually everything is being done," Mann adds, "at the delivery level we cannot yet tell to whom or with what effect. Thus we are doing a lot and learning a little. . . ." Or, as the General Accounting Office puts it: "It is not generally known 'what works' in terms of specific interventions to prevent youth from dropping out of school, encouraging their reentry or recruiting and retaining them in 'second chance' employment and training programs. This is due in part to limitations of data available on programs and limitations in research and evaluations seeking to determine the effectiveness of particular approaches. In addition, some interventions have been found unsuccessful. . . ."

So there is no solid reason to expect dramatic results from a stepped-up level of dropout-prevention activity, at least based on prior experience and current knowledge. We may, once again, find ourselves committing substantial sums to an enterprise that will yield dashed hopes and discouragement. That is not unprecedented for American social and education policy. In this case, however, and perhaps especially at this time, there is a heightened risk: that in identifying a broad new sheltered class of persons within the education system and reshaping policies and practices to accord with its presumed problems and proclivities, we will impede the progress of the most important quality-improvement effort to have been mounted within American education in many years.

Should anything be done?

That risk does not mean we ought turn a blind eye to the dropout issue. School systems may be able to improve matters just by paying closer attention to the discontents of individual boys and girls. When the Dallas public schools recently surveyed some of its dropouts, it found that three-quarters said no teacher, counselor, or administrator had spoken with them about their plans to leave school. "For students to say that no one talked to them is a real indictment of our system," superintendent Linus Wright correctly observed. Moreover, if upwards of 90 percent of Japanese youngsters can complete twelve exacting years of formal education "on schedule" —especially when only nine of those years are compulsory—surely the United States should be able to do better than it does.

It would be a blunder, however, to allow our concern for those who do not graduate on the traditional timetable to distract us from the quality of education—the actual skills, knowledge, behaviors, and character—acquired by the six Americans in seven who do eventually complete their high school educations. Available evidence suggests that the average level of attainment among those

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who do graduate is lower than it once was, lower than in many other countries, and certainly lower than it should be, and that substantial numbers of people walking around with high school diplomas are barely literate. Arguably it is as bad to obtain a diploma that is only a paper credential, attesting to years of school endured, as not to obtain one at all. We must also contemplate the gloomy possibility that some slippage in the educational attainment currently signified by high school graduation is due to well-intended but misguided efforts already made to universalize the possession of a diploma—and that more such efforts, unless awfully different, could further depreciate the currency. Moreover, it is at least as likely that prospective dropouts would benefit more from a double-dose of beefed-up curriculum, high standards, and demanding expectations (coupled with the requisite time and instructional support) than from further diminution of the serious side of schooling. The Norfolk superintendent attests that the dropout rate in his school system has *decreased* as promotion standards have risen.

It is probably best to assure that school is both interesting and challenging from first grade onward, and that every high school diploma carries value; then leave it primarily to individuals to gauge whether that reward is worth the effort required to obtain it. So long as returning to school (or embarking on an equivalency program) is easy and inexpensive, it is not unreasonable to assign the chief responsibility for making these calculations to the persons affected by them, recognizing from experience that about half the dropouts will eventually change their minds. If schools are better, textbooks less banal, and teaching more effective, that fraction could well rise. So long as attendance and graduation remain voluntary, the ability of public policy to deal with the dropout problem is sorely constrained, anyhow.

We also need to entertain the thought that perhaps not everyone wants a high school diploma badly enough to devote the requisite energy and time to getting it, at least not on someone else's timetable. Adolescents are notorious for their reluctance to defer short-run priorities and impulses in the name of eventual self-improvement. Even in contemporary America, not every job requires a high school diploma, nor does starting a family, bumming around, or—as we have seen—going to college. That surely does not argue for limiting the opportunity for everyone to earn a high school diploma. But we don't do that today. And today, even as standards rise, our on-time graduation rate remains generally stable and the proportion of the American population that has completed high school is the greatest in our history.

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Should we discourage teenage marriage?

P. LINDSAY CHASE-LANSDALE
& MARIS A. VINOVSKIS

ADOLESCENT sexual activity, pregnancy, and childbearing have received an extraordinary amount of public and scholarly attention during the past decade. The enormous interest in the topic stems from concern about the negative consequences to the mother, to her children, and to society as a whole. Public concern has been further galvanized by the dramatic increase in the number of out-of-wedlock births. Indeed, it is estimated that half of the federal expenditures for Aid to Families with Dependent Children (AFDC) in 1975 went to families where the woman had had her first child as a teenager. Many observers, however, seem to accept the irreversibility of the growing tendency for teen mothers not to marry. Indeed, some would even discourage pregnant teenagers from marrying because they believe that an early marriage would curtail the adolescent's education and lead to an early divorce. Although there seems to be a near-consensus among social scientists that teenage marriages are impermanent and disadvantageous to the mother and her child, no one has recently reviewed the scientific basis for these ideas nor analyzed the implications for past and future policy when we discourage teenagers from marrying.

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Prolonged maidenhood

Any discussion of policy toward teenagers must begin by acknowledging that adolescent behavior has undergone a great deal of change over the last two decades. The life course of adolescents is, of course, much affected by general trends in American society. The age at which men and women first marry is one example. Americans in the decade after World War II married at much earlier ages than ever before in the twentieth century. But recently, this trend toward early first marriage has been reversed. Whereas the median age at first marriage for men was about twenty-two and a half between 1950 and 1970, by 1984 age at first marriage was over twenty-five. Similarly, the median age at first marriage for women was slightly over twenty in the 1950s and 1960s, but climbed to twenty-three in 1984.

Most men marry a younger spouse and therefore it is not surprising that few men have married as teenagers in the past or today. Only 3.7 percent of men aged 15-19 were married in 1960, and that figure dropped to 1.5 percent in 1984. Among women, however, early marriage was more common, as 16.1 percent of those aged 15-19 were married in 1960, contrasted with 6.6 percent in 1984. Among females aged 18-19, marriage was even more common: nearly one-third was married in 1960; today only about one-eighth of this group is married. The decline in teenage marriage, then, seems closely linked to the nationwide tendency to delay marriage.

As it happens, this new marriage pattern is really a return to the more traditional marriage pattern dating back to the nineteenth century. But if the timing of marriages among today's youth resembles that of their counterparts in the nineteenth century, the current pattern of sexual activity is quite different. While there have been considerable fluctuations in premarital sexual activity in our nation's past, the extent of sexual activity among contemporary teenagers seems unprecedented. In 1971, 30 percent of women aged 15-19 living in metropolitan areas had experienced sexual intercourse prior to marriage. This rate climbed to 50 percent in 1979 and has slightly decreased to 45 percent in 1982. In other words, American teenagers during the 1970s were increasingly apt to engage in premarital sexual activity at the same time that they postponed marriage until their early or mid-twenties. Beatrice and John Whiting, in their book *Adolescents in a Changing World*, refer to this phenomenon as "prolonged maidenhood."

These changes in adolescent sexual behavior have been accompanied by a greater use of contraception among teens. Some maintain that the increased availability of contraception to teens begin-

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ning in the 1970s has failed to reduce the number of adolescent pregnancies, both because few teens are likely to use contraception effectively, and because the very availability of contraception has actually legitimized premarital sexual relations. On the contrary, although contraceptive availability may have contributed to a more permissive sexual climate in the past decade, there is little direct evidence that it alone has played a major role in promoting early sexual activity.

Furthermore, contraceptive use among unmarried sexually active female adolescents has increased steadily during the 1970s and 1980s. The proportion of those who reported always using contraceptives rose from 18 percent in 1971 to 34 percent in 1979. Nevertheless, a sizable proportion of sexually active teens still do not use any contraceptives, use them intermittently, or rely upon ineffective methods. This fact may account for why many commentators speak of an ongoing unprecedented "epidemic" of adolescent childbearing. In actuality, the adolescent birth rate peaked in the late 1950s. In 1960, the rate was 89.1 births per thousand women aged 15-19, or a total of 593,746 births. Currently, both the rate and the absolute numbers are lower: In 1984, the rate was 50.9 births per thousand, a total of 469,682 births. Thus, by the time they turn twenty years old, 19 percent of white females and 41 percent of black females have become mothers. Although the proportion of childbearing for blacks is twice that of whites, the absolute numbers of white teen births is more than double that of blacks: 320,953 versus 134,392.

While the number of actual births to teens is high, the number of pregnancies is significantly higher. In 1981, there were approximately 1,137,856 pregnancies, a rate of 110 per thousand adolescent females, contrasted with a much lower rate in 1972 of 94 pregnancies per thousand females. This recent increase in teenage pregnancies, however, has *not* led to a sizable increase in adolescent childbearing because of the greater use of legal abortions to terminate pregnancies. An estimated 150,000 legal abortions for adolescents aged 15-19 were performed in 1971 and that figure rose to 280,000 in 1974 after the U.S. Supreme Court legalized abortions nationwide. In 1983 about 395,700 abortions were performed for women aged 15-19. As a consequence, approximately 40 percent of all teenage pregnancies today result in abortions, and therefore the number of births to teenagers has declined.

One might conclude that since the rate of adolescent childbearing has decreased as well as the total number of children born to teenagers, public concern and interest in this issue would diminish.

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But in fact concern has grown, in part because the proportion of out-of-wedlock births among all teen births has increased dramatically, from 15.4 percent in 1960 to 56.3 percent in 1984. The number of out-of-wedlock births has tripled from 91,700 in 1960 to 270,179 in 1984. The extent of this increase becomes even more stark when it is broken down by race. The rate of out-of-wedlock births among white teen births rose from 17.5 percent in 1970 to 42 percent in 1984, and among black teen births, from 64 percent to 89.5 percent in the same period. In other words, more than four out of ten births to white teenagers and nearly nine out of ten births to black teenagers are out-of-wedlock. One could conclude from these statistics that attitudes toward teenage sexual behavior have indeed been changing.

Attitudes toward marriage

But perhaps what has undergone an even greater change has been the general attitude toward marriage. Even as Americans in the past postponed marrying until their twenties, few questioned the importance and centrality of marriage as an institution. The family was considered by our ancestors as the cornerstone of society both in theory and practice. Although attitudes toward premarital sex varied over time, there was, until recently, a general consensus among Americans that out-of-wedlock childbearing was immoral and a serious threat to the economic well-being of the community. There was great social and legal pressure for the father of the child to marry the mother. As a result, the practice of marrying after conception was widely accepted and played a key role in keeping the number of out-of-wedlock births to a minimum. In 1955, for example, only 14.9 percent of births to adolescent girls were out-of-wedlock (6.6 percent for whites and 41.9 percent for nonwhites). In addition, pregnant adolescents comprised 25 percent of first marriages. What, then, happened to the notion of teen marriage in the intervening years?

To begin with, the moral stigma attached to out-of-wedlock births seemed to diminish considerably during the 1960s and 1970s. Unwed adolescent mothers were no longer forced to drop out of public schools and the term "illegitimate birth" was gradually replaced by the more neutral designation of "out-of-wedlock birth." At the same time, the expansion of federal, state, and local assistance to unwed mothers and their children made it more feasible economically for single mothers to raise children. While the increase in welfare assistance does not appear to have caused adolescents to

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initiate sexual activity earlier, it may have helped those who became pregnant to raise their children by themselves rather than marrying the father, having an abortion, or putting the child up for adoption. In addition, the growing recognition that young mothers needed to finish their own education in order to be self-supporting weakened the attractiveness of an early marriage where the teen mother would drop out of school in order to care for her child and husband. Furthermore, the growing unemployment among young men, especially among young blacks, meant that the financial ability of the father to support the adolescent mother and her child appeared greatly diminished, making marriage seem a less feasible life-course option. These patterns may have been reinforced as the emphasis, during the 1960s and 1970s, shifted from the responsibilities of individuals for their actions to their rights to choose and pursue freely their own particular life styles.

Despite these changes, almost fifteen years passed before the federal government reacted to them. When federal action finally came in the 1970s, it was fueled by a combination of increased media attention, vociferous and organized advocates, emerging scholarly findings on the negative consequences to the teen mother's educational and occupational attainment, growing concern regarding the heightened levels of teen sexual activity, the changing proportion of out-of-wedlock births, the increase in teens choosing to keep their babies rather than give them up for adoption, and the rising cost of existing federal assistance programs. The primary focus of the congressional hearings, the proposed and enacted programs, and the scholarly testimony in the 1970s was not the numbers of unmarried adolescent parents, but rather the plight of the teenage mother herself and to a lesser extent, her children. Surprisingly little effort was made to consider the role of the father or the advantages and disadvantages of having pregnant adolescents marry.

The few scholars who considered the role of fathers downplayed their importance to the economic or emotional well-being of the young mother and her child. For example, James Jeckel, associate professor of public health at Yale University, testified before the U.S. Senate in 1975 on the basis of his evaluation research conducted in New Haven with Lorraine Klerman. With regard to care programs for pregnant teenagers and young mothers, he questioned the wisdom of even trying to involve young fathers:

> Many people talk about the importance of including the fathers in the programs. Whereas I do not think they should be categorically excluded from programs (and the bill does not), we have some data (as yet unpublished) that shows relatively few of these young mothers eventually marry

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> the putative fathers, and that those adolescents who marry early tend to have more children than those who do not, and their marriages are unstable. It is my judgment that we are not yet ready to encourage the inclusion of fathers in most phases of specific programs for mothers.

Similarly, other researchers such as Wendy Baldwin of the Center for Population Research, National Institutes of Child Health and Human Development, testified in 1978 before the U.S. House Select Committee on Population that federal policies should not necessarily encourage pregnant teenagers to marry. She cited emerging findings from studies that indicated higher rates of marital dissolution among marriages of teen mothers than those of older mothers, and larger family sizes and lower rates of educational attainment for teen mothers who married versus those who did not. Baldwin stated that:

> Adolescents who marry may not be better off and, in some ways, may be worse off than their peers who don't marry. The rates of marital disruption among young teenagers are high, and there appears to be a greater likelihood of an earlier second pregnancy among those who marry. It is not clear that marriage is really a solution, especially for the very young teenager.

Another social scientist, Harriet Presser from the University of Maryland, urged at the same hearing that young mothers would be better advised to stay with their own parents and continue their education rather than marrying the father:

> I might add, in reference to the earlier discussion, that one of the reasons that girls do not marry the father of their child, based on my study, is that the girl's parents can often be more supportive than the father in enabling them to return to school. If the young woman is living with her family, her mother might help take care of her child while she returns to school. If, instead, she leaves the household and gets married, the father of the child is not likely to do this. She may, therefore, trade off marriage for going back to school.

Throughout the extensive congressional hearings on adolescent pregnancy and childbearing in the 1970s and 1980s, virtually all of the participating members of Congress and social scientists accepted the trend in out-of-wedlock births and were more concerned with the stigma associated with out-of-wedlock births and the practices of schools in previous years of requiring pregnant teens to drop out. They did not challenge the view that pregnant adolescents should be discouraged from marrying. Although we do not have systematic studies of subsequent clinic policies and practices, there are anecdotal reports that clinics may well have reflected this bias against marriage. Perhaps most important, not enough attention was directed toward the need to study the causes and consequences of out-of-

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wedlock births. While the discouragement of early marriages by social scientists was not a primary cause of the rise in out-of-wedlock births, it contributed to an atmosphere which minimized the responsibility of the father.

A role for the father

Not everyone viewed out-of-wedlock births so kindly. Senator S. I. Hayakawa in 1978 was one of the few individuals who denounced young males for failing to accept their responsibility as fathers and condemned the lack of effort by the government to force them to support the adolescent mothers and their children:

> Now, the one thing that I miss in all of this legislation, all the concern, I miss concern with the fathers of these children. They do not seem to have any responsibility in any of this, and what is to prevent, therefore, these young men or these boys from going on to produce, one after the other, out-of-wedlock babies, while cheerfully continuing with their studies, finishing high school, finishing college, leaving behind a whole trail of unmarried mothers and fatherless children to be taken care of by HEW and local agencies.
>
> Is there within this program, or within all the people who are thinking about it, any concern with making the young men involved face some of the responsibilities that they are placing upon society? I see none. I see evidence, on the other hand, of a male-dominated society that wants to let the boys off free, where possible, while we cluck, cluck, cluck, over the girls. And, Mr. Chairman, I want to protest this absence of concern with the male parties to this social problem.

Former Senator Hayakawa's outburst against the lack of male involvement and responsibility provoked an angry response from Senator Edward Kennedy. Senator Kennedy reminded his colleague that if Hayakawa were so interested in the responsibility of males he should have raised the same objections to federal legislation supporting family planning services or abortions, which the Senate enacted earlier. In any case, Senator Hayakawa's frustrations with the direction of the discussions about teenage pregnancy were not shared by the advocates of more federal funding for coping with adolescent pregnancy. Moreover, the broader issue of encouraging marriages was never thoroughly explored.

The change in administrations in 1981 brought greater interest in adolescent pregnancy and childbearing from a broader family perspective and a renewed focus on out-of-wedlock births. In 1984, the Office of Adolescent Pregnancy Programs under the Reagan administration solicited social science research on "The Characteristics and Family Involvement of Fathers of Adolescent Premaritally Conceived Births." This request sought information about the

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fathers, their interactions with the mother and young child, and the "social, economic, health and developmental consequences of the fathers' involvement in the lives of their partners and their out-of-wedlock children." The Reagan administration has also called for research to analyze both the negative and positive impacts of adolescent marriages on the teenage mother, her partner, and young child. It remains to be seen, however, how the current administration will incorporate this research into policies that pursue the issue of teenage marriage and out-of-wedlock births.

Surprising stability

This new interest in teenage marriage for the parents of out-of-wedlock children marks an important change in policy emphasis. Although the recommendations of social scientists to policymakers in the 1970s regarding teen marriage were based on scientific studies at the time, we would argue that there has been too much emphasis on the inevitability of divorce. Even though the rate of marital stability is lower among teens than among older women, the *stability* of teenage marriage should be underscored. Those who argue against early marriages point to the likelihood of these unions to dissolve. Yet the rates of marital disruption are very high today for all couples, but few would suggest that we abandon marriage as an institution altogether. What is needed, though, is a closer look at the characteristics of those teens who do marry and those teen marriages that do survive.

In his classic study of low-income black teens in Baltimore, Frank Furstenberg concluded that the chances of the successful continuation of the marriages occurring in the years following the birth of a child were "minuscule." Yet half of the marriages of adolescent mothers in the Baltimore sample were intact after four years. In a follow-up study by Furstenberg and Brooks-Gunn of the teen mothers seventeen years later, almost one-third of all first marriages had survived. Similarly, Sheppard Kellam and his associates in their 1982 study found that approximately 35 percent of married teen mothers in Woodlawn, a Chicago community, remained married over a ten year period. While the Baltimore and Woodlawn studies do illustrate higher rates of marital instability among low-income black teen mothers than their older counterparts, it is important to recognize the stability that does exist and to examine more closely the reasons for this.

Two new studies based on national data also provide evidence that teen marriages are more durable than previously believed.

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Using data from the Current Population Surveys of the Census Bureau in 1980 and 1982, Martin O'Connell and Carolyn Rogers of the Population Division of the Bureau of the Census found that although teenage marriages were twice as likely as adult marriages to be disrupted within the first five years, 76 percent of women who married between ages 15-17 and 85 percent of women who married between ages 18-19 were still married five years later.

Similarly, a study by Steven McLaughlin and his associates at the Battelle Human Affairs Research Center used national data from the 1982 National Survey of Family Growth and the National Longitudinal Survey of Youth to distinguish between the separate effects of early age at marriage versus early age at childbearing. These two variables are difficult to disentangle, but the investigators were able to compare three groups of adolescents: those who married first, then conceived; those who got pregnant and married before the birth of the child; and those who had a baby and then got married. Among whites, 74 percent of each of the first two groups were still married ten years later. Of the third group (those who married after the baby's birth), only 20 percent were still married ten years later. For blacks, 50 percent of the first two groups were still married ten years later. Marriage delayed until after the birth of the baby did not have as negative an effect as on whites: 60 percent of these couples were still married ten years later.

In sum, although the sexual activity, pregnancy, and childbearing of adolescents have received an extraordinary amount of public and scholarly attention, teen marriages—especially those precipitated by pregnancy or childbirth—have been understudied by researchers and neglected by policymakers. Recent studies, it is true, have supported the perspective of scientists and policymakers in the 1970s —namely that rates of marital dissolution are higher among teen marriages than those of their older peers. But what has been ignored is that these same studies also reveal the resiliency of some teen marriages in the face of difficult circumstances.

The benefits of marriage

But even if some teen marriages have endured, what advantages or disadvantages have they provided for the individuals and their children? The negative impact of early childbearing on the educational attainment of the young mother is well documented. Although some female adolescents already had dropped out of school prior to their pregnancy or probably would have done so anyway, the additional stress and responsibility associated with early parenting reduces

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the likelihood of remaining in school. Young black mothers are more likely to continue their education than their white counterparts as their educational careers seem to be relatively less affected by an unintended birth.

The disruption of schooling is a serious problem since it is likely to place limits upon the job opportunities for a young woman throughout her lifetime. It also makes her a more probable candidate for welfare assistance and thereby increases the societal costs of early childbearing. Yet if there is general agreement upon the negative consequences of early childbearing on the educational and economic development of the young mother, there is still considerable uncertainty about the effects of early marriage on her educational and economic success. Again, most social scientists have argued that pregnant adolescents are better advised not to marry the putative father since this so often results in the termination of the young mother's education. Instead, they argue, the pregnant teenager should continue to live with her own parents, who will provide child care and economic support, thereby enabling the teen to complete her education and enhance her future economic well-being.

Few studies have looked specifically at the question of whether marriage helps or hinders a pregnant teenager's ability to continue her education and improve her long-term economic situation. The recent study by McLaughlin and his associates mentioned earlier found that early marriage had negative effects on black mothers, but not on white mothers. Overall, the high school enrollment rate of black teen mothers, whether married or not, was higher than that of white teen mothers. For black mothers, a marriage either before or after the birth had a significant adverse impact on school enrollment. For white mothers marriage had only a minor impact compared to that of parenthood.

These findings reinforce the growing impression that early marriages following an adolescent pregnancy may damage the teenage mother's educational prospects. Yet this conclusion needs to be tempered by new research that finds that the long-term economic prospects for the young mother may be *adversely* affected by staying with her own parents rather than marrying the father. Furstenberg and Brooks-Gunn found in their seventeen-year follow-up of the Baltimore study that while staying with one's parents for the first year or two promoted school attendance, those teens who remained with their parents for three or more years seemed to become too dependent and were *the least likely* to be economically self-sufficient as thirty-five-year-old adults. In addition, those women who were

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married at the time of the five-year follow-up were much more likely to have succeeded economically, presumably because of their husbands' income, than those who had never married. Indeed, the small proportion of teens in the Baltimore study who remained married for twenty years were in families most likely to achieve middle-class status. What these statistics tell us is that although a stable marriage for pregnant adolescents is difficult to attain, it offers tangible economic benefits for those who are able to achieve it.

In promoting a policy that argues that pregnant teens should stay with their own parents rather than marry, one must also question the effects of such a strategy upon the family of origin itself. Since teenage pregnancy and childbearing are disproportionately concentrated among low-income families, does the added financial responsibility upon grandparents in helping to raise their new grandchildren bring additional hardship to the household? Moreover, given the increasing proportion of women of all ages in the labor force, is it realistic to expect that many grandmothers will be available during the day to teen mothers and their babies? In the Baltimore study, approximately 75 percent of the original teens surveyed were employed in 1983, when they were thirty-five year olds, suggesting that they will be less likely to have the time to care for their own adolescent children—a high proportion of whom are already becoming parents themselves. As Linda Burton at the Pennsylvania State University has reported, when women are catapulted into the grandmother role at so early an age (e.g., 25-38 years old), they feel that being a grandmother interferes with other important adult responsibilities and activities, such as parenting, education, work, friendships, love relationships, and leisure.

What about the children?

Missing in this discussion so far is an emphasis on the children of teen mothers. The predominant viewpoint has been that the advantages for children of teen marriages are few because the putative fathers are poor providers, prone to divorce, and uninterested and incompetent in parenting. Marriage, this argument continues, would fail to alleviate economic disadvantage, would promote husband-wife conflict, and expose the child to inept fathering, all of which are related to poor cognitive and emotional development in children.

In light of the virtual absence of research on the economic potential and parenting abilities of young fathers and on the quality of teen marriages, we believe that these three concerns remain open

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questions. Moreover, while some studies have documented demographic characteristics of teen marriages, e.g., rates of stability and divorce, virtually no one has examined the ways in which teen mothers and their spouses interact, nor the impact of the quality of their relationship on their children's well-being. We know from a substantial body of psychological research on older families that in good marriages, a father's emotional support to his wife and vice versa and a father's involvement with his children are important to healthy child development. Why, then, when so little is actually known about the psychological strengths and weaknesses of young families, do social scientists and politicians persist in discouraging teen marriages?

Similarly, remarkably little research has been devoted to the parenting abilities of teen mothers, and only one study, by Michael Lamb and Arthur Elster of the University of Utah has actually observed the parenting behaviors of young fathers (young fathers are typically not teens themselves; the majority are in their twenties). Lamb and Elster's results tentatively suggest that these men behave toward their six-month-old infants in ways that are typical of older fathers. When we turn to how the children of teen marriages fare, studies suggest that they do indeed benefit from their parents' marriage. According to Furstenburg's study, children whose teen mothers had married the father performed better at age five on assessments of cognitive and social development. Kellam's study found that these children were rated higher in school adjustment by their first grade teachers than those children whose teen mothers lived alone. Furstenberg also found high cognitive performance for preschool children who had regular contact with their absent fathers. In his follow-up study with Brooks-Gun, those mothers who were economically independent by age thirty-five due to employment or marriage (to the child's father or someone else) had adolescents who performed better in school and reported lower rates of deviance.

While we do not have sufficient research to disentangle the relative importance of economic advantage, emotional assistance from adults, and the unique impact of the father, the effects of economic well-being seem clear. The Baltimore study suggests that within groups of teenage mothers, those who are the most economically disadvantaged have children who do the least well. Although some Baltimore teen mothers successfully lifted themselves out of poverty in later adulthood, as a group their children, in their own adolescence, showed much higher rates of school drop-out, grade retention, and behavior problems than adolescents of older parents. The

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question emerges: Why must the majority of teen mothers in this country struggle to improve their economic status without financial assistance from the fathers?

Young fathers are believed to be incapable of providing financial support to their families. In fact, little is known about the eventual earning power of young fathers, and work in progress by Robert Lerman of Brandeis University on data from the 1979-1982 National Longitudinal Survey of Labor Force Behavior suggests that young fathers have greater economic potential than previously believed. For example, Lerman's preliminary findings show that one-half of black absent fathers aged 18-22 were employed or in military service in 1979, and an additional approximately 20 percent were in school.

When questioned about their child-support payments, 24 percent of Hispanic, 36 percent of black, and 20 percent of white young (aged 18-26) absent fathers who never married reported making payments that represented 10 percent of the income of Hispanics and blacks and 21 percent of whites. When unmarried mothers' reports are used as the source of information, as in the 1983 Census Bureau Survey of Child Support, only 9 percent of the mothers reported receiving child support payments. Furstenberg also found a low rate of child support payment by never or previously married fathers; not surprisingly, at the five-year follow-up, married fathers were continuing to support their children.

Thus, while it is clear that the vast majority of young absent never-married fathers are not contributing to their children's financial security, we cannot conclude at this time that most young fathers are potentially or even currently incapable of economic assistance. In the context of the poor economic standing of many teen mothers, any level of assistance would be helpful. And what is being required by the federal government as current court-ordered child support is not exhorbitant. According to a recent report on child support by Ron Haskins and his former colleagues at the University of North Carolina, the average court-ordered annual child payment for all absent fathers in 1982 was $2,460.

Although child-support enforcement has received considerable attention lately, the focus of recent reform has been on middle-class fathers, the vast majority of whom have not come under the system's purview. While this represents an important shift in child-support policy, an equally indifferent group—absent young fathers—has not received enough attention. In the policy debates in the 1970s and early 1980s regarding teenage childbearing, child-support enforcement was not proposed as a necessary legislative initiative

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because of the foregone conclusion that young fathers were financially incapable of supporting their families. The current number of out-of-wedlock children warrants future attempts to integrate the previously disparate policies regarding adolescent parenthood and child-support enforcement. According to Wayne Stanton, head of the office of family support administration in the Department of Health and Human Services, the Reagan administration has recently designated the development and enforcement of child-support policies toward unwed young fathers as a top priority. One policy recommendation that has been suggested by Haskins is that all young fathers should be brought into the child-support enforcement system regardless of their earning power, even if they pay only five dollars per week in child support. As a result, they will learn early that they must participate in the federal system of child support, and they will continue to do so until their children reach the age of majority, eighteen years of age in most states. Over the course of eighteen years, then, it is likely that the financial situation of the young father will improve and consequently so will that of his children. While this notion of the "token" child-support payment has been used at the discretion of individual judges, there is no federal policy along these lines.

A call for reexamination

In the 1970s teenage pregnancy and childbearing became a matter of pressing concern to policymakers and social scientists. As out-of-wedlock births were beginning to soar, lawmakers and experts chose to focus on the teen mother herself, the stigma of adolescent pregnancy, and the detrimental impact of early childbearing on educational and occupational advancement. Marriage as a life course option for adolescent mothers was actively discouraged and consideration of the role of the father was practically nonexistent.

In the 1980s, as out-of-wedlock births have reached unprecedented levels, it is necessary to reexamine policies and research related to adolescent parenthood and marriage. New research findings indicate that some teen marriages are more resilient than previously believed. Recommendations that adolescent mothers remain with their own parents in order to maximize educational attainment are being brought into question by recent evidence suggesting adverse long-term outcomes of such an arrangement. Policies that promote single parenthood for teen mothers seem to prevail in the face of very little systematic information about the young fathers and their potential as providers, husbands, or parents. Government

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policies should be redirected toward helping young couples stay together rather than focusing almost exclusively on the young mother and her child. Furthermore, in a society that claims that children are the future, one must question why a young man's financial responsibility toward his children is open to debate. These and many other issues need to be raised and addressed before we conclude that pregnant teenagers should be discouraged from marrying.

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Violent death, violent states, and American youth

MICHAEL R. GREENBERG, GEORGE W. CAREY & FRANK J. POPPER

DURING the past two decades, more and more young Americans have been dying violent deaths. Although rates for every age group have been rapidly declining since the turn of the century, the death rates for those aged 15–24 have, since 1960, been on the rise. In these years the rate of youths involved in motor vehicle and other accidental deaths has been climbing while suicide and homicide rates have shot up dramatically. Moreover, violent deaths are becoming a larger proportion of all youth mortality. In 1960, suicides and homicides accounted for less than 8 percent of all youth deaths; two decades later they accounted for 20 percent. While many recent studies have noted the increasing role of drugs, crime, and pregnancy in the lives of young people, perhaps no set of figures as those concerning violent death so vividly illustrate the increasing amount of self-destructive behavior among American youth. What we are seeing is not a uniquely American trend; youth death rates are increasing in most urban-industrial nations. But youth in the United States have a higher death rate than their counterparts in England, Japan, and Sweden and the rate appears to be increasing more rapidly.

This disparity in behavior between the United States and other nations is sometimes explained by the large percentage of minorities

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in the U.S. But for this study we focus on the white population. The nonwhite population—blacks, Orientals, native Americans, for example—has markedly different patterns of violent death.[1] Even when we limit ourselves to white youth, we still find a disturbing trend of violent death. However, when we examine *where* these deaths occur, this trend is useful for understanding American youth and violent death.

Patterns of violence

Data on death rates are compiled by the National Center for Health Statistics (NCHS), whose figures are based on state reporting of every death certificate. The NCHS figures, compiled annually, include a separate descriptive category of "external cause of injuries and poisoning." Among youth aged 15–24 the overwhelming majority of these deaths are violent ones. The NCHS defines violent death by five subcategories: (1) homicide, or death purposely inflicted by others; (2) suicide; (3) motor vehicle accidents, which are limited to highway accidents; (4) all other accidents, such as boating accidents, falls, fires, and drowning; and (5) a catchall category that is used when the cause cannot be determined. Since this last miscellaneous group of deaths accounts for only 3 percent of all violent deaths, we have excluded it from this study.

In order to examine the influence of location on violent death, we first computed the rates of violent and nonviolent (i.e., disease) death among whites aged 15–24 in the forty-eight contiguous states for five different periods: 1939–1941, 1949–1951, 1959–1961, 1969–1971, and 1977–1979, the latest period for which data were available. (These periods were chosen to coincide as much as possible with the U.S. Census Bureau population counts in order to get the most accurate rates.)

The results are remarkably consistent: The Western states invariably had the highest death rates, the Northeast ones the lowest. Eight states had rates above the national averages for all causes of death (the sum of violent and nonviolent deaths) in all five time periods: Arizona, Idaho, Kentucky, Montana, Nevada, New Mexico, Texas, and Wyoming. Of these eight, all but Kentucky and Texas —the two that are not in the West—always had youthful death rates 20 percent or more above the national averages.

On the other hand, seven states had rates below the national averages for all causes in all periods: Connecticut, Massachusetts,

[1] See, for example, Report of Secretary for Health and Human Services' *Black and Minority Health*, 1986.

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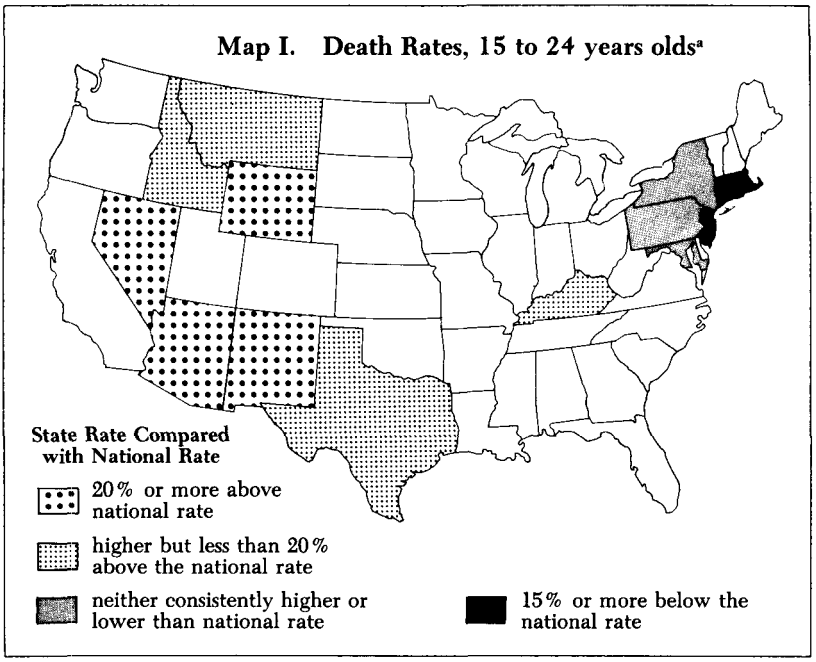
Map I. Death Rates, 15 to 24 years olds[a]
State Rate Compared with National Rate
20% or more above national rate
higher but less than 20% above the national rate
neither consistently higher or lower than national rate
15% or more below the national rate

[a] Death rates are for study period: 1939-1941, 1949-1951, 1959-1961, 1969-1971, and 1977-1979.

Maryland, New Jersey, New York, Pennsylvania, and Rhode Island. Of these Northeast states, Connecticut, Massachusetts, New Jersey, and Rhode Island always had rates 15 percent or more below the national averages. Map I illustrates the state youth death rates as compared to the national rates.

These regional differences became even more striking when the death rates were broken down by gender. In what appear to be the six most "dangerous" Western states—Arizona, Idaho, Montana, Nevada, New Mexico, and Wyoming—the white male rates for all causes averaged 59 percent higher than the national rate in 1939–1941; the difference dropped to 40 percent in 1949–1951, where it has remained since. Among white females in the Western states the rates averaged 56 percent higher than the national rate for females in 1939–1941; the difference has since varied between 34 and 53 percent. In the four "safest" Northeast states—Connecticut, Massachusetts, New Jersey, and Rhode Island—the male death rates averaged 26 percent below the national rate in 1939–1941, and have since varied between 32 and 21 percent below it. The female averages ranged between 24 and 20 percent below the national female rate since 1939.

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These figures tell us that, counting all causes of death among youth, both violent and nonviolent, the total death rates for the young in the six most dangerous Western states have been about twice as high as rates in the four safest Northeast states for two generations. Yet since 1939–41, death rates from nonviolent causes of death such as cancer and heart disease, which now account for about a quarter of the deaths in the 15–24 age group, have been about the same in the six Western and four Northeastern states. The difference in death rates between the two regions, therefore, springs entirely from death caused by violence.

This difference also accounts for the fact that the rates of violent death have consistently been higher in the six Western states than in the four Northeast ones for all four major categories of death listed by the NCHS. Specifically, in 1939–1941 the Western states had death rates from white male and female motor vehicle accidents that were about twice as high as the national rate. Since then, the difference has gradually dropped to the point where the Western rate is approximately half again higher than the national one. In 1939–1941, the four Northeast states had auto-related death rates that were about half of the nation's, although they have since narrowed to about a quarter lower. Differences between the West and Northeast states in deaths from homicide, suicide, and nonauto accidents have also been marked, but have not narrowed. The regional differences for violent death have been stable since 1949–1951.

The fact that for nearly four decades, violent death has occurred in the West at a significantly higher rate than anywhere else in the country contrasts with the conventional wisdom on where American youth are most likely to encounter a tranquil environment. Suicide, for example, is often portrayed by the media as being primarily a Northeast, urban, ghetto, or suburban phenomenon. Yet in fact, for any given young white male or female, suicide is actually much more likely to occur in the rural West. Indeed, suicide is the cause of youthful violent death that most distinguishes the six Western states from the rest of the country. The difference in suicide rates between the Western states and the Northeast states has been relatively constant for over forty years: In the Western states they have consistently been twice as high for young males and three times as high for young females.

The "dangerous" West

To learn more about the West, we focused on county-by-county violent death rates for white youth in Arizona, Nevada, New Mexico,

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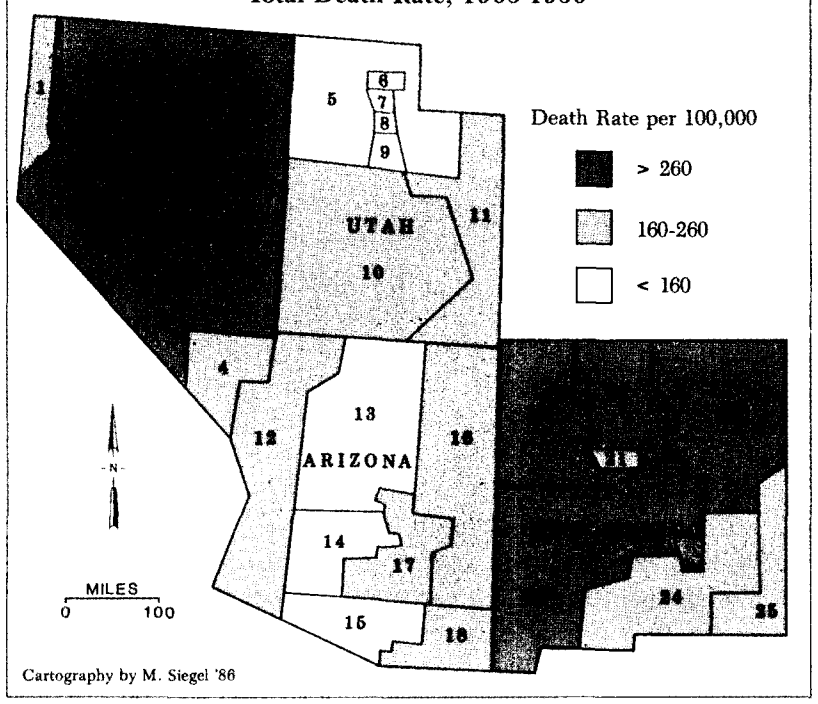
Map II. Male White Population, Age 15-24, Total Death Rate, 1968-1980



and Utah. The ninety-one counties in these states have among the highest and lowest violent death rates in the United States. Nine of the ninety-one counties have populous cities and suburbs: in Utah, Salt Lake (Salt Lake City), Davis (suburban Salt Lake City), Weber (Ogden), and Utah (Provo); in New Mexico, Bernalillo (Albuquerque); in Nevada, Clark (Las Vegas) and Washoe (Reno); in Arizona, Maricopa (Phoenix), and Pima (Tucson). We contrasted these urban counties with groups of rural counties and then computed their rates for the thirteen-year period 1968-1980 (see Map II). We counted Hispanics as white, just as the Census does. But as indicated earlier, we did not count blacks, Orientals, native Americans, or other non-whites.

The most dangerous counties we found are those in rural areas. For example, the most dangerous counties in northwest New Mexico had 5.6 times the rate of youthful violent death as the least dangerous one, Utah County, which is centered on Provo, Utah. Indeed, the highest rates for rural Western whites are even higher than those for inner-city blacks! This finding may come as a surprise: The Cen-

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ters for Disease Control reported in 1982 that young black males die from homicide at a rate six times that of whites. A 1969 study by Mulvihill and Tumin found that the American cities with the highest rates of violent crime were Atlanta, Baltimore, Dayton, Fort Worth, St. Louis, and Washington, D.C.

But the rural areas of our four Western states typically have higher death rates among their white population than the six high-crime cities show for inner-city blacks. Indeed, the white male violent death rate in the six most dangerous Western counties is 13 percent higher than the comparable black rate in the six inner cities. To be sure, black inner-city homicide rates are high, but rural Western violent death rates from auto and other accidents as well as for suicide more than offset their lower homicide rates. The rural areas of the West, rather than the American urban ghetto, is where youth is far more likely to suffer violent death.

Furthermore, differences in death rates within the Western states themselves demonstrate striking fluctuations for all four categories of violent causes of death. For example, the highest homicide rate, 42.1 per 100,000 in northern New Mexico, is more than three times the national rate and over 20 times greater than the rate in Mormon and urban Utah County. For Western white males generally, the highest suicide rate during 1968-1980 was 7.8 times greater than the lowest rate; the highest auto accident rate was 6 times the lowest; and the highest nonauto accident rate was 4.5 times the lowest. For females the highest rates for homicide, suicide, auto, and other accidental causes were, respectively, 3.9, 21.4, 4.0, and 5.0 times the lowest rates in the region. Compared to the nation as whole, the highest Western rates are 2-4 times higher and the lowest rates are less than two-thirds of the national ones. The West, in short, is the place to look for large variations in youthful violent death rates and for the causes of them.

Environmental explanations

A stable geographical pattern of death has to be explained by equally stable regional environmental factors. In the late nineteenth century, the French sociologist Emile Durkheim offered a theory of suicide that we think also applies to other forms of violent death. Durkheim argued that people become functionally and psychically integrated with their peers in their social roles; they accept their roles as norms, and they learn to live within restraints of law, custom, and commonly accepted behaviors. Durkheim believed that the degree of social integration—how well one copes with society's

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restraints—is a good indicator of suicide rates. A high level of personal integration into society generally inhibited suicide; a low level promoted it. Active participants in families, religious organizations, and other tightly structured socioeconomic systems were less likely to commit suicide than those with few or no ties to these institutions.

There is a remarkable fit between Durkheim's theory, first put forth in 1897 to explain suicide in European nations, and the geographic patterns of all forms of violent death we have found in the mid- and late-twentieth-century United States. For instance, the divorce rate in the six most dangerous Western states has long been two to three times that of the four safest Northeast states. The rate of Roman Catholicism, a religion that forbids suicide, is twice as high in the four Northeast states (nearly half their population) as in the six Western ones. Almost two-thirds of the people living in the Northeast states were born in the state where they reside, compared with two-fifths of those living in the Western states. Less than half the Northeasterners moved at least once every five years, as compared to almost 60 percent of the Westerners. The Western unemployment rate averages about one-third higher than the Northeast one. While these figures do not demonstrate greater suicidal or violent tendencies in the West, they do suggest that Western life in the region is more unstable than in the Northeast, which, following Durkheim's postulates, means that the Northeast should have lower rates of violent death than the Western states.

This same pattern holds within the four Western states we examined. People living in the six counties with the lowest rates of youthful violent death are primarily Mormon and urban; they do not move often, and they have relatively low divorce and unemployment rates. Those living in the counties with the highest death rates are likely to be rural and unaffiliated with an organized religion; they are more likely to move often, be divorced, and not have a job than their counterparts in the safer counties.

Some of the indicators of social integration that Durkheim used typically change slowly from year to year—for instance, religious participation. These establish a sort of stable benchmark for violent death rates. Other indicators, such as the business cycle and population migration, fluctuate rapidly and presumably exacerbate the instability and hence the violent tendencies in the lives of American youth.

Following Durkheim, we looked at the effect that rapid change in economic stability—that is, a boom or a bust—would have on violent death in all categories. In the four Western states an obvious linkage exists between economic stability and low violent death rates

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—except for the category of suicide, the one form of violent death Durkheim examined. We do not know whether this finding springs from an actual lack of linkage or from some flaw in our figures or analysis.

But correlations do exist between the business cycle and the three other forms of violent deaths among white American youth in the Western states. In 1973 and 1978, motor vehicle death among youth in the four Western states exceeded by 16 percent the values we predicted from trends by using three-year moving averages for both males and females; on the other hand, for 1975 and 1976, the numbers are 20 percent lower than expected. These fluctuations correspond to changes in the business cycle. The years 1973 and 1978 had relatively high employment and high net in-migration into the Western states, while 1975 and 1976—the years with few such deaths—had high unemployment and comparatively low in-migration. We infer that economic booms trigger more driving and riding in vehicles by youths, and perhaps more driving under the influence of alcohol and other substances.

For nonauto accidents, the male white death rate is 17 percent higher than expected in 1973 and 12 percent lower than we predicted for 1975. Almost all the 1973 excess and 1975 deficit was found in six counties—the counties with the highest violent death rates for the entire 1968-1980 period. These results are not surprising because the economies of these six counties are dominated by extractive industries. The National Safety Council reports violent death rates from trauma are 55 workers per 100,000 for mining and quarrying and 52 per 100,000 for agriculture. By contrast, the worker death rates for urban activities such as trade, manufacturing, and services are 5.0, 6.0, and 6.0, respectively. This finding suggests that those rural males employed in extractive and apparently dangerous industries, especially during economic booms, are more likely to die an accidental violent death than urban males and females.

Economic cycles may also be a factor in high male homicide rates in the West. We found 14 percent more homicides occurred among white males in the Western states in 1974 than predicted from moving averages. Why 1974? The year 1974 did not see particularly high rates of divorce or unemployment. Divorce rates were higher between 1975-1980 than in 1974, and unemployment rates, too, were higher in 1975-1976 than in 1974. But major jumps in the divorce and unemployment rates took place in 1974. For example, the average unemployment rate in New Mexico during 1968-1973 was 6.0; the rate in 1974 rose to 8.0. Arizona and Nevada also showed major increases of unemployment of 2 percent or more in 1974.

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Divorce rates also jumped sharply in 1974. For example, from 1973 to 1974, Arizona's divorce rates increased from 6.2 per thousand to 7.9, New Mexico's from 4.7 to 7.0. The year 1974 seems to have been a year of change and instability, which might account for high homicide rates. In short, violent death rates in the Western states seem to reflect the stresses of overwork and some of the family and social stresses associated with fluctuations in the business cycle.

Extending Durkeim's work, students of non-European settings have suggested connections between violent death and other factors. Two of these—ethnicity and public intervention—seem to fit our data. Variation in ethnic background implies variation in behavioral norms, which in turn implies differences in violent death rates. For example, according to World Health Organization data, Mexico has one of the highest death rates in the world from homicide and non-automobile accidents. But many Mexicans are Roman Catholics, so Mexico has one of the lowest suicide rates in the world. More than 15 percent of the population of the six Western states is Mexican-American, compared to less than 1 percent in the four Northeast states. Perhaps this ethnic difference contributes to high violent death rates in some non-Mormon areas of the Western states and low rates in the Northeast states.

Public initiatives may also play a role in curbing or fueling violent behavior. For example, states that restrain the use of guns, limit driving speeds, prohibit driving without seatbelts, implement strong public health and environmental protection programs to protect their populations against diseases, offer effective medical care, and have higher minimum drinking ages usually have lower rates of violent deaths. Handguns in the Western states, however, are not closely controlled and are about twice as prevalent as in the Northeast states. The U.S. Department of Transportation reported in 1983 that driving faster than the 55 mph national speed limit is almost twice as prevalent in the Western states as in the Northeastern states. Studies also show that the four Northeastern states have almost all of the best cancer protection programs and among the best programs in environmental protection; the Western states have few of the former and among the weakest of the latter. Most Western states have resisted laws requiring the use of seatbelts and raising the drinking age; the Northeast states have not. (Under the 1984 federal National Drinking Age Act, states are required to raise their minimum drinking age to twenty-one or lose a portion of federal highway construction funds. Five of the six states fighting the implementation of the act —thereby costing themselves both young lives and federal money— have been Western.) While these examples don't tell us anything

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directly about violent behavior, they do suggest that there is less institutional and private concern for health and safety—a more libertarian-loner attitude toward these matters—in the West than in the Northeast. If this is indeed the case, it helps account for the regional disparity in violent death rates.

Looking for causes

Our research has implications for how we study violent death, where we study it, and our chances of reducing it through public policy. The regional covariation in rates of youth suicide, homicide, automobile fatalities, and other accidents suggests that they are all related. Indeed, many motor vehicle and other accidental deaths can have a suicidal or homicidal component: a suicidal driver, perhaps intoxicated by alcohol or drugs, may kill his passengers, a pedestrian, or another driver. Moreover, some coroners, especially in offices with informal procedures, will deliberately misclassify a death by suicide in order to spare the family grief, economic distress (insurance settlements may be jeopardized), or embarrassment (for religious or other reasons).

We believe that all the major types of violent death ought to be studied together as alternative responses to stress rather than—as they usually are—separately. Different government agencies and private groups only discuss specific forms of violent death in technical reports and specialized journals; they rarely communicate with groups studying other forms of violent death. Thus social scientists going back to Durkheim have linked suicide rates to such elements of social structure as family instability, atrophy of religious ties, and weak economic and political integration into the larger society. Yet, at least among the young, it may well be that these social and cultural factors will also provide comparably powerful explanations for high rates of other forms of violent death. The recent establishment of a violence epidemiology branch at the Centers for Disease Control is a step in the right direction for research on suicide and homicide.

Media treatments of violence typically suggest that high youth rates primarily occur in the inner cities' poverty-stricken minority populations and in the affluent suburbs' alienation-ridden upper-middle class. The *New York Times*, for instance, often runs stories about murderous gang warfare in Harlem or privileged Westchester County, New York, teenagers so pressured by their parents to achieve that they kill themselves. But these incidents, which produce striking journalism, are statistically misleading. Our study shows that youth death rates have been far higher in the rural West for most of

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the twentieth century. Looking for causes of violent death outside of media-rich metropolitan areas—in the small towns, farm-and-ranch settlements, boom-and-bust towns, and other nonmetropolitan portions of the Western states—may well repay the effort in knowledge gained and lives saved. But while we may potentially save a higher percentage of high-risk youth by concentrating our efforts on the rural West, we may save fewer people in absolute numbers since the vast majority of Americans live in cities and suburbs.

There may also be another, intangible aspect to life in the West that makes its own contribution to violent behavior: the rural white ethos of the American West. It traditionally emphasizes outdoor machismo, individualism, risk taking, conspicuous athleticism, danger seeking, and nature conquering. In song and story, going at least back to Ned Buntline's 1870s dime novels and Owen Wister's *The Virginian* (1902), the culture stresses themes of gambling, restlessness, outlawry, and outsiderism. These cultural imperatives, as the historical residue of the region's relatively recent frontier past, are more prominent and influential in the West than elsewhere. Among the young, they seem to operate more strongly on white rural Westerners, than on their urban counterparts, white Americans generally, or black Americans (who may have their own imperatives leading to high homicide rates).

If we are correct that many of the determinants of youth rates of violent death are social and cultural, important practical consequences follow. The public health and social work professions, as well as public policy generally, will have to accept severe limits on their ability to control this mortality. Such frequently advocated measures as gun control restrictions, automobile speed limits, seatbelt laws, higher drinking ages, occupational health and safety laws, medical and health facilities, economic development programs, and social support networks during emergencies—however desirable for other reasons, however successful in some cases—may have disappointingly small effects on rates of violent death. The violent regional culture of the rural West, along with national and in some cases worldwide changes in the family, lifestyles, and values, combine to place enormous stress on the young, vast obstacles to their psychological and physical well-being, and nearly all are beyond the direct or immediate impact of public intervention. The challenge to American society—how to create a less threatening and more supportive setting for youth, one with less social isolation, despair, and depression—is a sobering one, but especially so in America's rural West.

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Diversity or discrimination? Asian Americans in college

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CONTROVERSY has been growing at many of our most selective universities regarding the admission of Asian Americans. Critics have leveled charges of bias, claiming that admissions policies have aimed specifically at slowing down the influx of Asian Americans into these colleges and have therefore discriminated against them. They point to Asian American admission rates (the number of Asian Americans offered admission divided by the number of Asian American applicants) that have been lower than those of Caucasians, despite Asian American performance as measured by test scores, high school grade point averages (GPAs), and subsequent college GPAs that appears to be equal to and at times superior to that of Caucasians. A downward turn in Asian American admission rates at some institutions has raised the additional concern that admissions officers have put numerical limits on the number of Asian Americans they admit.

Most admissions officers deny any charges of discrimination. Referring to possible numerical ceilings on the number of Asian Americans admitted, Princeton's Dean of the College has stated, "I can assure you that there is no such thing, and I believe it would be a serious disservice to suggest otherwise." Yet many university officials have taken such charges seriously. Largely in response to pres-

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sure from student and other groups, formal inquiries have been launched at several prominent institutions.

The focus here will be on various aspects of undergraduate admissions processes at four elite universities—Princeton, Harvard, Stanford, and Brown—where Asian Americans account for roughly 10 percent of the applicant pool. At each of these institutions, Asian American admissions policies have been discussed at length by students, faculty, administrators, and, in some cases, alumni, with much of the debate centering on two different approaches that have been used to evaluate data. The first, and the one often used in the public statements of university officials, compares the percentage "representation" of Asian Americans in the admittance and/or enrollment pools of their respective colleges and universities with the percentage of the overall population in the country that is Asian American. The second approach, which is most likely to be used by critics of present admissions processes (as well as by many internal university investigations), compares the number of Asian Americans offered admission with the number that actually applies. This key statistic is the Asian American "admission rate".

Applicants and admissions

Using the first approach, Asian Americans appear to be doing well. They make up only 2.1 percent of the American population, but constitute upwards of 8 percent of the freshman classes at the four universities under review. But this approach is flawed for several reasons. It ignores the geographic concentration of Asian Americans in a few states and in several key metropolitan areas. In 1980, for example, they made up 6.7 percent of California's population and 22 percent of those living in San Francisco. One would therefore expect them to have at least a slightly higher representation among the students attending a school like Stanford, which is located in the San Francisco Bay area. (At the University of California at Berkeley, Asian Americans made up one-quarter of the undergraduates in 1985.)

Aggregate national population figures alone also overlook the fact that a much higher proportion of Asian Americans than Caucasians is actually eligible for college admission. In 1983, for example, 26 percent of California's Asian American high school graduates were academically qualified for freshman admission to the University of California, compared to only 15.5 percent of their Caucasian counterparts. Not only do Asian Americans have a high level of performance in terms of national standardized test scores and high

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school grade point averages, but the proportion that takes the Scholastic Aptitude Test (SAT) is much higher than that of Caucasians.[1]

Furthermore, using simple ethnic representation in the national population as a guide fails to take into consideration the reality that a much larger proportion of Asian Americans continues their education past the age of seventeen. Table I provides the percentages of Asian Americans and whites aged 3 to 34 enrolled in school or college. Finally, the use of Asian American national population figures of 2.1 percent as a basis for evaluating a university's admission and enrollment figures can be misleading because such an analysis ignores the number of Asian Americans who actually apply to that institution. A 2.1 percent representation in a freshman class would be absurdly low if more than 20 percent of applicants were Asian American.

Table I. Percentage of Asian Americans and Whites Enrolled in School and College in 1980[a]

	Age							
Group	*3–4*	*5–6*	*7–15*	*16–17*	*18–19*	*20–21*	*22–24*	*25–34*
Chinese	47.9	91.4	98.4	96.0	83.9	74.0	50.7	21.9
Filipino	27.6	89.1	98.8	92.8	62.7	38.3	20.2	9.6
Indian	51.4	92.3	98.2	92.2	72.0	54.3	39.2	14.8
Japanese	58.0	94.6	99.1	96.2	77.0	61.6	38.9	14.6
Korean	42.1	88.4	98.3	94.9	77.7	54.8	30.5	13.2
Vietnamese	29.4	83.6	96.5	90.2	66.6	47.5	37.8	22.4
White	32.0	86.1	98.8	89.0	52.8	33.3	17.4	8.5

[a] *Source:* Bureau of Census (1983b), reported in Sau-Lim Tsang and Linda C. Wing, *Beyond Angel Island: The Education of Asian Americans* ERIC/CUA Urban Diversity Series No. 90 (Oakland, ARC Associates, Inc., Winter 1985), p. 18.

For these reasons, we believe a college's Asian American "admission rate" is the more appropriate statistical indicator for examining its treatment of Asian American applicants. We also believe that Caucasian admissions data are the most useful comparative basis for appraising Asian American admissions. But before comparing various ethnic admission rates, it is important to consider which factors might influence, for better or for worse, those rates. The statistical effect of affirmative action policies is to raise the admission rates of ethnic groups that receive preferences in admission. Such "targeted minorities," therefore, might have admission rates that are at least

[1] In 1983, for example, Asian Americans constituted only 6.2 percent of public high school graduates in California, but 13.2 percent of the students who took the SAT in California. On the other hand, Caucasians made up 64.7 percent of the state's public high school graduates, but only 56.6 percent of the SAT candidates.

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slightly higher than those of ethnic groups not so designated. One would expect, however, to find approximately equal admission rates for those not receiving preferential treatment, such as Caucasians and Asian Americans. If a "non-targeted" group has a significantly lower admission rate than another such group, two possible explanations must be considered: (1) that the applicant pool of the former group is on average less qualified for admissions than that of the latter, and/or (2) that the admissions process, or some aspect of it, either intentionally or unintentionally has been unfairly and perhaps discriminatorily treating applicants of the group with the lower admissions rates. Thus a key question: Are the lower admission rates of Asian Americans the result of being less qualified than Caucasians, or have Asian Americans been the victims of barriers and inequities in the admissions process?

Asian Americans, who have suffered a long history of racial discrimination in this country, were for the most part excluded from highly selective colleges and universities prior to the 1960s. By the early 1970s, most major universities were instituting affirmative action programs aimed at increasing ethnic minority enrollment, primarily through recruitment and by granting preferences in the selection process. Enrollment figures were used to show the progress of each minority group. There was little need to monitor the specific admission rates of these minorities inasmuch as they already tended to be higher than those of Caucasians (due, as mentioned above, to affirmative action policies).

Through the mid-1970s Asian Americans, like other minorities, remained underrepresented at many universities and received affirmative action preferences in the admissions process. In 1975, for example, Asian Americans constituted only 1.95 percent of Brown's undergraduate applicant pool. By the end of the decade, however, rapidly increasing immigration and academic achievement resulted in growing numbers of qualified Asian Americans applying to selective universities. By 1983, they constituted more than 10 percent of Brown's applicant pool. By this time, many universities decided that Asian Americans were sufficiently represented and qualified and therefore no longer needed special preferences. (Some critics, however, disagreed, arguing that Asian Americans from lower socioeconomic backgrounds had still not reached parity with Caucasians.) It was also at this time that the controversy of renewed discrimination emerged between Asian Americans and college admissions officers. Citing Asian American admission rates that had dropped below those of Caucasians—in some cases, quite suddenly—

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critics began to suspect that upper limits were being placed on Asian American admissions. While believing that university officials might have been willing to promote minimal representation of Asian Americans and other ethnic minorities, critics feared that like the immigration policymakers of the late 1800s, they might have been adverse to admitting "too many" Asian Americans.

The question of quotas

Despite emphatic denials of discrimination, university officials over the last several years have examined their admissions policies toward Asian Americans. In February 1985, the issue was discussed at a meeting of eight Ivy League admissions directors. At Princeton, Brown, Harvard and Stanford, various faculty and student committees and subcommittees made detailed studies of the subject but reached considerably different conclusions. In May 1985, Princeton's Faculty-Student Committee on Undergraduate Admission and Financial Aid (CAFA) reported that it was "satisfied that Asian American applicants are—and have been—treated fairly in the context of Princeton's overall admissions policies." However, Brown's Corporation Committee on Minority Affairs (COMA) said "the subcommittee is unanimous in finding that an extremely serious situation exists and that immediate remedial measures are called for . . . we concur with the thrust of the Statement that Asian American applicants have been treated unfairly in the admission process." Stanford's Faculty Senate Committee on Undergraduate Admissions and Financial Aids (C-UAFA) chose to keep its subcommittee's report confidential, although a summary was provided to the faculty senate. C-UAFA reported that its subcommittee found that no factor it analyzed could completely explain the differential over the previous two years (1984 and 1985) in the admission rates between Asian Americans and whites. However, the subcommittee also concluded that the "differential did not arise from an implicit quota," and that there was "no evidence of conscious bias." (We were unable to get similar official documents from Harvard.)

Because of numerous and, in our view, often questionable policies of confidentiality, it has been extremely difficult to collect official and comprehensive admissions data. Nevertheless, the data we have obtained illustrate admission rates and trends. Through the late 1970s, admissions rates at Brown for Asian Americans were significantly higher than the overall admission rate. Yet, while the number of Asian Americans admitted continued to increase, the rate of increase was slower than the rate of increasing Asian American

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applicants. Thus, by 1980, the Asian American admission rate dropped below that of the overall admission rate. By 1983, the Asian American admission rate (.14) was just 70 percent of that of the overall rate (.20).

Table II. Brown University—Comparison of Asian American and Overall Admission Rates—Classes Entering 1975-1983[a]

	Class Entering in								
	1975	*1976*	*1977*	*1978*	*1979*	*1980*	*1981*	*1982*	*1983*
Asian American Admission Rate . .	0.44	0.40	0.48	0.47	0.26	0.22	0.18	0.19	0.14
Overall Admission Rate . .	0.33	0.33	0.34	0.28	0.25	0.23	0.22	0.22	0.20
Asian American Admission Rate as % of Overall Admission Rate . .	133	121	141	168	104	96	82	86	70

[a] *Source:* Brown University, Asian American Students Association (AASA), October 11, 1983, Table 5.

The data for Harvard, Princeton, and Stanford show similar trends. In 1982, Harvard's Asian American admission rate (.14) was just 74 percent of the Caucasian admission rate (.19). In 1983, the admission rates were .14 and .20, respectively, with the rate of Asian Americans being admitted falling to 70 percent of that of Caucasians. At Princeton, the data indicate that in 1982 Asian American and Caucasian admission rates were .15 and .16, respectively, and .16 and .19 in 1983. Thus, in these two years, Asian Americans had admission rates that fell from approximately 94 percent to 84 percent, respectively, of those of Caucasians. For 1982, 1984, and 1985, the admission rate for Asian Americans applying to Stanford was only 70, 68, and 65 percent, respectively, of that of Caucasians.[2]

Before looking to the characteristics of the university admissions process, both official and unofficial, to seek reasons for this imbalance, it is first necessary to consider whether or not Asian Americans might be academically less qualified than Caucasian applicants. After all, academic qualifications are the primary criteria for

[2] Unlike the practice at most colleges, prior to 1986, applicants to Stanford were never asked to identify their ethnicity on an application form. (A policy of voluntary self-identification has been recommended for the future by C-UAFA.) As Jean Fetter, dean of undergraduate admissions, told us: "In the past we have chosen to rely on our 'best estimates' based on the applicant's surname, the mother's maiden name, and the birthplaces of the parents. When the applicant chooses to submit a photograph, that occasionally proves helpful also."

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college admissions. Official data suggest, however, that Asian Americans are not less qualified.

For example, in 1982 Asian American applicants to Harvard had average SAT verbal and math scores of 594 and 657, respectively, for an average combined score of 1251. Caucasian students who applied in the same year had average scores of 618 and 640, for a combined score of 1258, just 7 points (out of 1600) higher. The slightly lower Asian American verbal score is understandable given the large number of Asian Americans who are recent immigrants, or who have parents who are immigrants, and/or speak English as a second language. Much more striking, however, are the SAT figures for both groups who were offered admission by Harvard: Asian Americans had average verbal and math scores of 742 and 725, respectively, for an average combined score of 1467, while the scores for Caucasians were 666 and 689, for a total of 1355, or 112 points lower. The figures suggest that in order to be offered admission, Asian Americans had to score on average 112 points higher on the SAT than the Caucasians who were admitted. The data reveal a similar pattern for Princeton in 1982 and 1983 and for classes entering Brown in 1979-1983, with Asian Americans having average combined SAT scores that were higher than those of nonminorities. It seems clear, then, that the academic qualifications of Asian Americans cannot explain their low admission rates.

Beyond academic qualifications

But what about "nonacademic" criteria? One study of thirty thousand Asian American and Caucasian high school students who were sophomores and twenty-eight thousand who were seniors shows that while Asian American participation rates in sports and artistic activities were slightly lower than those of Caucasians, the differences were not significant. For varsity athletics, the participation rates of the two groups were 30 percent and 34 percent, respectively, and for other athletic teams 37 percent and 40 percent. In debating or drama, the figures were 9 percent and 13 percent, respectively, 13 percent and 14 percent in band or orchestra, and in chorus or dance 15 percent and 18 percent. In "intellectual activities," such as honorary clubs, school newspapers, and subject-matter clubs, however, the figures show that Asian Americans tended to participate more than whites. With the exception of "Junior Achievement," the study found that Asian Americans tended to participate less in community activities. But another study found that among 1982-1983 SAT candidates, Asian Americans were more likely to

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participate in social, ethnic, or community organizations than other SAT candidates.

In summary, the data above do not support the common stereotype that Asian Americans have significantly lower rates of participation in extracurricular activities than do Caucasians. Furthermore, Stanford's C-UAFA reported that for 1984 and 1985 its subcommittee found that the lower admission rates of Asian Americans did not arise "from lesser academic/nonacademic ratings of Asian Americans." In other words, among Asian American and Caucasian applicants to Stanford who had the *same* academic and nonacademic ratings, Asian Americans still had significantly lower admission rates.

Another category of nonacademic qualifications that has importance at such highly selective institutions as Brown, Princeton, Harvard and Stanford are character and personality traits. Most people would probably agree that these qualities might be legitimate criteria for college admissions. After all, a university would have an interest in rejecting applicants who were dishonest, just as it might find desirable such traits as social conscience, creativity, compassion, intellectual curiosity, and personal integrity. But do Asian Americans as a group have different personality characteristics from those of Caucasians? And can such characteristics be accurately detected and measured without being influenced by cultural biases or racial stereotyping?

We know of no admissions officer who has produced conclusive evidence of significant character and personality differences between Asian American and Caucasian applicants. One study does suggest some differences. Stanford sociology and education professor Stanford M. Dornbusch recently analyzed 7,836 high school students in the San Francisco Bay area. "My bottom line is there's no question these Asians are working a heck of a lot harder," he reported. Dornbusch found that Asian American males spent an average of 11.7 hours a week doing homework, while the white males in his study spent an average of 8.6 hours.

One would think industriousness would be regarded favorably in the college admissions process. However, this might not be the case for Asian Americans. When asked what personality traits might account for lower admission rates among Asian Americans, one admissions officer responded that they tend to be "driven." Such negative perceptions of otherwise positive Asian American attributes could contribute to their low admission rates.

Another explanation often cited for the low admission rates of

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Asian Americans is their tendency to major in the sciences and technical fields. Harvard's former Dean of Admissions, L. Fred Jewett, has stated that "a terribly high proportion of the Asian students are heading toward the sciences. In the interests of diversity, then, more of them must be left out." But national data from the Department of Education's civil rights office suggest that this presumed tendency might be exaggerated. Some of these data are summarized in a report cited by the Bureau of Census:

> The greatest number of Asian Americans received bachelor's degrees in business and management (3,177), followed in order by engineering (1,838), social sciences (1,620), biological sciences (1,463), and health professions (1,087). In comparison, the top five majors among white bachelor's degree recipients were business management, education, social sciences, health professions, and engineering. For both Asian Americans and whites, business and management was by far the most popular major.

But the intended majors of Asian Americans actually applying are what admissions officers take into account. Brown's admission director, James Rogers, says that "the vast majority of Asian Americans applying here—70 to 75 percent—are premedical students . . . The question is not one of race, it's academic balance." But the figures show only 39 percent of Brown's Asian American applicants in 1982 were intended premedical majors. Mr. Rogers's explanations of Asian American "premeds" and "academic balance" also raise a number of questions, for reasons best summarized by Brown's COMA report:

> We do not . . . agree that the number of Asian American pre-med applicants is sufficiently large to be deemed disproportionate, nor is it large enough to justify the disproportionality in the admit rates. This claim results from a reliance on inference and not necessarily on the declared concentration interests of the applicant. While the use of inferential factors may be valid for assessing non-minority applicants, any inferential conclusions are highly subject to cultural biases and stereotypes in the evaluation of minorities and in particular Asian American applicants . . . We also have concluded from our investigation that the admission process in reality looks at a number of admitted pre-med applicants when shaping the structure of the class. That is, instead of characterizing the total number of admitted premeds to be "over," it is the number of Asian American admits which is deemed to be "over." While we recognize the legitimate desire to seek a class with balanced academic interests, this must not be achieved at the cost of unfairness to any ethnic group.

Confidential data from another university in our study reveal that among every category of intended major in 1985, Asian American applicants had a lower admission rate than Caucasians. While the intended major most popular with Asian Americans was engineering (20.6 percent of all Asian American applicants), the same was

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true for Caucasians (17.2 percent). The admission rate for Asian Americans intending to be engineers, however, was only .09, or nine per every hundred. This was half of the corresponding .21 admission rate for Caucasians planning to be engineers.

Procedural problems

If the characteristics and qualities of Asian Americans cannot account for their low admission rates, the remaining possible explanations lie in the procedural characteristics of the college admissions process. For a variety of reasons, special consideration is given to several groups, which generally fall into four categories: (a) ethnic minorities "targeted" for affirmative action purposes; (b) athletes; (c) geographic preferences; and (d) legacies of alumni, faculty, and/or staff. Since college admission is a "zero-sum game," an increase in admissions for these groups will necessarily reduce the admission rates of other groups.

It is true that when compared to Caucasians, Asian Americans have lower rates of participation in certain major varsity sports such as football and basketball. But the effect of this difference is minimal. At Stanford, varsity athletes constitute only about 2 percent of the Caucasian applicant pool.

The interest in admitting a geographically diverse student body might be especially significant for Stanford, which is located in an area that has a high concentration of Asian Americans, but C-UAFA's subcommittee found that the lower admission rates of Asian Americans did not arise from the "interaction of ethnicity" with other factors such as "geographic origin."

Preference for alumni children could explain some of the differences, since very few college-age minority students have parents who attended highly selective institutions. Data analysis done at Stanford found that alumni, faculty, and staff preferences had only a slightly negative effect on Asian American admission rates relative to those of Caucasians. At Princeton, however, alumni preferences might be a more significant factor. After making adjustments for athletes and alumni children, the admission rates for Asian Americans were actually, for the most part, higher than those of Caucasians. In addition, the *New York Times* reports that alumni children applying to Princeton in 1984 had an admissions rate of .48 compared to a rate of less than .20 for the entire applicant pool.

The procedural problem of measuring the characteristics that student applicants "should" have is an important component of the admissions process, made all the more problematic because it rests

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to a considerable degree on subjective judgments. The Brown COMA report, for example, concluded:

> It was clearly stated by all admission staff to whom we spoke that Asian American applicants receive comparatively low non-academic ratings. These unjustified low ratings are due to the cultural biases and stereotypes which prevail in the admission office. Such biases and stereotypes prevent admission officers from appreciating and accurately evaluating the backgrounds and nuances of the Asian American cultural experience. This subcommittee has found a clear need for sensitivity training of the admissions staff to the different experiences not only of Asian Americans but of all minority groups.

We also detect suggestions of racial stereotyping in the attitudes of some university officials with whom we spoke. One admissions director, for example, expressed the view that Asian Americans are "taught to be humble and obedient" at home. An official from another institution stated that the university was concerned about admitting students who had greater interests in "public service." He speculated that this might be inconsistent with Asian cultural values, implying that Asian Americans tend to be more selfishly career-oriented and less socially concerned than Caucasians. Another common stereotype is that because of cultural reasons, Asian Americans tend to be interested only in science and technical fields and lack an appreciation for a "well-rounded liberal education."

These views reflect a serious ignorance of Asian culture, whose most significant distinguishing characteristic is perhaps the high priority it places on collective and societal interests. The cultural values that place primary importance on the individual are creations of the West. (Adam Smith was not Asian.) Preoccupation with modern science and technology is also the product of Western culture, not Asian. If Asian culture has made any significant contributions to human thought and civilization, it is in the areas of philosophy, literature, and the arts. According to Confucianism, the educational ideal was an enlightened scholar who was highly accomplished not only intellectually but also in calligraphy, poetry, painting, music, martial arts, government, and in family and other human relationships. The well-rounded Confucian scholar was a central figure in Asian society centuries before the discovery of the Renaissance Man and the "liberal arts" university.

It is because none of the explanations reviewed here adequately accounts for the low admission rates of Asian Americans relative to Caucasians that critics continue to suspect that numerical limits have been placed on Asian Americans, a charge that is emphatically denied by admissions officers. However, Brown's COMA subcom-

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mitte on minority affairs concluded that numerical limits were, in fact, in operation through the use of an "historical benchmark" mechanism:

> By this we mean the process by which a set of enrollment goals is established using as a benchmark figure the enrollment figures of the previous year's freshman class. That is, in practice, the stucture of an incoming class, i.e., the total size and the relative proportion of identifiable subgroups within it, such as athletes, various minority groups, alumni children and the like, is mainly determined by numerical comparison with the structure of the preceeding year's entering class. . . . In the specific case of Asian Americans, this practice has resulted in a limit on the number of admitted applicants. In other words, when the Asian American admits closely approximates its historic benchmark number, the admission process is curtailed without regard to the total number of Asian American applicants for the current year or their academic qualifications.[3]

The consequences of "diversity"

It should be emphasized that we have not found any definitive evidence that numerical limits on Asian American admissions might be in effect at any other institutions. But it is equally important to note again that with the exception of Brown, we have not been given the kind of access to data and decision-making information that would permit us to support or refute conclusively such a finding. Because of the inadequacy of alternative explanations, the possibility of numerical limits on Asian Americans operating in the college admissions process (of at least some institutions) cannot be rejected out of hand. But we do not believe, in spite of its history in this country, that outright racism is a sufficient explanation. It seems to us that the answer is more complex. For example, our examination of the various reports on Asian American admissions, together with discussions with university officials, persuade us that a conceptual confusion over the meaning of "diversity" might in part account for the limiting of Asian American admissions.

Consider the questions posed in an internal document of one of the universities we studied:

> In order for us to make a recommendation on the specific question of Asian American admissions, at least some of these policy issues must either be resolved or, failing that, given some boundary conditions. . . .
>
> Is the goal to achieve an ethnic mix of . . . undergraduates that matches that of the applicant pool, the (state) population, the national population, or none of those? . . .

[3] Princeton Professor Uwe Reinhardt reports that he found similar mechanisms operating when he was on a committe for graduate school admissions in 1983: "We were going over the applicant list and we came to a clearly qualified Asian American student. And one committee member said, 'We have enough of them.' And someone else turned to me and said, 'You have to admit, there are a lot.'"

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> What is the underlying rationale for ethnic diversity? Are we trying to achieve ethnic diversity because it is good for [society] . . . or because it is fair and therefore good for the society at large, or because it is mandated, or popular, or what? How is the goal of ethnic diversity to be balanced against other factors?

When asked why Asian American admission rates tend to be so low, university officials most commonly respond that their goal is to achieve "ethnic diversity" in their student bodies and that Asian Americans are an "overrepresented minority." The apparent assumption is that because Asian American representation at these universities is higher than their approximately 2 percent of the national population, admitting more Asian Americans would contradict the institution's goal of achieving "ethnic diversity." But increasing the number of students whose ethnicity is unlike that of the majority would, by definition, increase the ethnic "diversity" of the students. Furthermore, limiting Asian American admissions in the name of "diversity" inaccurately assumes the homogeneity of Asian Americans.[4]

Finally, the concept of "overrepresentation" is faulty to the extent that it is uniquely applied to Asian Americans. In the words of Brown's AASA report:

> One could only imagine the outcry from all sectors of the community if Brown decided to reduce its 25-30% Jewish student population down to the 3% that Jews represent in the national population. And if this isn't ridiculous enough, try limiting the number of alumni sons and daughters in the University to their overall national representation. The point here is not that we wish to cut either the number of Jewish students or alumni children, but that this argument which Brown used to justify limiting acceptance of Asian Americans is invalid and inconsistent.
>
> Indeed, such an argument for limiting admissions to reflect the national population levels only reinforces the idea that there exists an unwritten quota for Asian Americans at Brown. . . .

The controversy over Asian American admissions appears to have resulted in different policy outcomes at different institutions. After a three-year period in which Asian American applicants to Stanford were admitted at a rate only 65 to 70 percent of the Caucasian admission rate, Stanford's 1986 Asian American rate rose to 89 percent of its Caucasian admission rate. Combined with a higher proportion of Asian American admittees choosing to enroll at Stanford (50 percent in 1985, and 63 percent in 1986), this resulted in a more

[4] Aside from the fact that Asian Americans tend to have black hair and yellowish skin, heterogeneity is perhaps their most distinctive characteristic. They come from many countries, including China, Japan, Korea, Singapore, Hong Kong, Vietnam, Laos, Thailand, Cambodia, India, Indonesia, Malaysia, the Philippines, Guam, Samoa. They differ widely in their linguistic, cultural, historical, and socioeconomic backgrounds.

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than 100 percent increase of Asian Americans enrolled in Stanford's 1986 freshman class (119 in 1985 and 245 in 1986). However, Princeton's 1986 freshman class witnessed a 25 percent decline of Asian Americans, which "dropped to 75 from 99 a year ago." These dramatic changes in a single year, shifting in opposite directions at institutions with similar admissions standards, lend further support to the hypothesis that Asian American admission rates have been determined more by the policies, preferences, and practices of college admissions officers than by the qualifications of Asian American applicants.

After concluding that there is no implicit quota or evidence of conscious discrimination on the part of the admissions staff, Stanford's C-UAFA addressed the problem of a negative bias in Asian Americans admissions:

> The remaining alternatives . . . are that real differences may exist between Asian Americans and whites in the subjective data on which admissions decisions are based, and/or that unconscious biases have influenced admissions decisions. For example, Asian Americans as a group might rate themselves, and be rated by others, as more narrowly focused in their interests than the white group . . . For instance, it is possible that descriptions of "focused interest," especially in science or engineering, might be interpreted positively when applied to whites ("the student delves deeply into one topic and learns it thoroughly") and negatively when applied to Asian Americans ("the student has narrow interests") . . . As a final complexity, (the subcommittee) stressed that even if real differences in the subjective data were found, such differences themselves could reflect unconscious bias in the minds of the providers of such data, such as high school teachers and the applicants themselves (even self-images can be biased) rather than real differences in populations.

Stanford has recently taken measures that are important and necessary steps designed to prevent a continuation of past problems.[5] We also believe that an accurate historical record of what has actually caused consistently low college admission rates of Asian Americans is critical to public perceptions of Asian Americans. If Asian American admissions should suddenly rise at a university, it would be essential for all to understand that such an increase is not the result of "unfair advantages" being given to Asian Americans, but rather the effect of unfair disadvantages being removed.

[5] Among the efforts recommended by Stanford's C-UAFA are: (1) an annual review of admissions data on Asian American applicants, a comparison with data on white applicants, and then careful analysis to determine "whether any differential in the rate of admissions of Asian Americans is unaccounted for by articulated criteria and, if differentials exist, to consider whether they arise from internal practices or external sources; and (2) the training of new admissions officers that will include a session on unconscious stereotyping, especially Asian Americans. The University will also tell high schools of the possibility of unconscious stereotyping in letters of recommendation."

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The new political science of corporate power

DAVID VOGEL

THE AMOUNT of political power exercised by business has been the subject of considerable debate among political scientists. Their views have fallen roughly into two camps. One perspective views business primarily as an interest group, actively competing with a plurality of other political constituencies to both define the political agenda and influence specific public policies. In the political marketplace, business is not regarded as enjoying any particular advantages that cannot be matched by other interest groups. As a result, its power varies depending on such factors as the climate of public opinion, the performance of the economy, the political skills and resources of particular companies or industries, and the relative strength of other interest groups. This perspective is commonly identified with pluralism. Another approach regards business not as another interest group but as a kind of private government, which enjoys a privileged position in American politics. Its ability to define the terms of public debate and its superior access to government officials is seen as overshadowing that of any other political constituency, thus making a mockery of the principles of pluralist democracy.

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The study of American politics was dominated by pluralists from the early 1940s through the late 1960s. The most influential studies of American politics—such as David Truman's *The Governmental Process*, published in 1951, V.O. Key's *Politics, Parties and Pressure Groups*, which went through five editions and more than twenty-five printings between 1942 and 1964, and Robert Dahl's *Who Governs?*, published in 1961, argued that the American political system was both fluid and accessible. They documented the inability of any one interest group, including business, to dominate it. Their point of view was reflected in virtually every textbook on American government published during these decades and in all but a few scholarly books and articles on the subject.

Over the last fifteen years, however, the pluralist view of American politics has been increasingly challenged. Since 1970, a steady stream of monographs and textbooks has been published arguing that American democracy is fundamentally flawed, largely on the ground that business exercises disproportionate political and social power. Significantly, two of the discipline's most prominent pluralists—Yale political scientists Robert Dahl and Charles Lindblom—have publicly repudiated their earlier position. In a preface they wrote for a new edition of *Politics, Economics and Welfare*, published in 1976, they confessed that

> in our discussion of pluralism we made another error—and it is a continuing error in social science—in regarding business and business groups as playing the same interest-group role as other groups in polyarchal systems, though more powerfully. Businessmen play a distinctive role in polyarchal politics that is qualitatively different from that of any interest group. It is also much more powerful than an interest group role.

They added,

> . . . common interpretations that depict the American or any other market-oriented system as a competition among interest groups are seriously in error for their failure to take account of the distinctive privileged position of businessmen in politics.

Lindblom's *Politics and Markets* (1977) presents a wide-ranging analysis of what he calls "the world's political-economic systems." But it is best known for its last two sentences: "The large private corporation fits oddly into democratic theory and vision. Indeed, it does not fit." Today the book is the most widely known and influential study of American business-government relations by an academic to appear in the last quarter-century. It has sold more than sixty thousand copies since its publication and is widely used as a college text.

Two decades ago, one could not write about interest-group poli-

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tics in America without making a reference to Dahl's *Who Governs?*. Now it is impossible to discuss the power of business in America without an obligatory reference to Lindblom's *Politics and Markets*. Since the latter appeared, the majority of the articles published in American and British political science journals on corporate power have echoed Lindblom's position, including ones published in the discipline's primary scholarly journal, *The American Political Science Review*. It is unclear whether or not the majority of students of American politics share this perspective; relatively few political scientists study business at all, and most of those interested in "political economy" tend to write more about Europe or Japan rather than the United States.

Nonetheless, a significant and highly visible number of political scientists have become critical of the role of business in American politics. When I was a graduate student in the late 1960s, only a few scholars questioned the pluralist depiction of American politics; now those who publicly defend it frequently find themselves on the defensive.

The corporation as private government

The arguments of those who view business as a threat to American pluralist political democracy fall into three broad categories. One perspective argues that the largely privately owned business corporation undermines American democracy because its internal structure of authority is undemocratic. A second set of arguments insists that American pluralist democracy is flawed because business occupies a "privileged position." A third perspective incorporates the insights of the first two, but goes a step further in conceiving of the business system itself as a system of power, depriving the majority of either wealth or influence.

Robert Dahl is the most prominent advocate of the first perspective. He argues that corporations are essentially political systems, whose leaders exercise great power, influence, and control over employees, consumers, suppliers, and (at least) local economies.

He contends, moreover, that there are no overriding philosophical or practical justifications for capitalist control, or even ownership, of corporations, and that the arguments that Locke and Mill offered for the rightful ownership and control of the fruits of one's labor are more logically applied to corporate employees than to absentee shareholders. Dahl finds it disturbing that a substantial proportion of the citizenry "live out their working lives, and most of their daily existence, not within a democratic system but instead

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within a hierarchical structure of subordination." His solution is to extend the criteria of procedural democracy to the government of firms, essentially through some form of worker self-management.

Dahl's contention that the decisions made by privately owned corporations are profoundly public or social in character is not controversial. The doctrine of corporate social responsibility, first articulated in the United States at the turn of the century, and echoed repeatedly by each generation of executives, explicitly recognizes that corporations have ceased to be private institutions. The argument that the corporation, because of its status as "private property" should, therefore, have its decisions or internal structure of authority immune from public scrutiny or control, is no longer made or believed by anyone, save extreme libertarians. The undermining of the concept of limited government in American politics has meant that everything the corporation does is now, in principle, the public's business: Even contemporary conservative criticisms of government regulation of business rest primarily on pragmatic grounds, not ideological ones.

Dahl's contention that "neither in theory nor in practice are corporate governments democratic" is also unexceptional. Yet this does not make the corporation unique: Virtually all nongovernment institutions can be described in similar terms. Universities, foundations, labor unions, many professional and trade associations, religious institutions and organizations, charitable organizations—even public-interest groups—all exercise political power, and yet none is governed according to democratic principles or precepts. In its internal system of authority, the corporation is actually quite typical of the social structures that characterize democratic societies.

In fact, given Dahl's criteria for democracy, namely that an institution is nondemocratic unless those who work for it are able to hold those who govern it accountable, the American government itself is not run according to democratic principles. After all, government employees do not choose their superiors. Nor are they formally consulted about the most important decisions taken by the departments or bureaucracies in which they work. But no one considers the structure of the military a threat to democracy because soldiers are not allowed to set military policy, or the Army Corps of Engineers a threat to democratic rule because its employees can no longer set the nation's conservation policy. On the contrary, these organizations are compatible with a democratic form of government precisely to the extent that those who govern them are *not* accountable to those who work in them.

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Dahl does acknowledge that the corporation is one among a large number of institutions that exercise authority in our society. But he only wishes to reform the internal structure of authority of one of them, namely, the "privately owned and controlled economic enterprise."

He never explains, however, the basis for this distinction. Why, if our society is to be made more democratic, is it essential that General Motors be governed by its employees, but not the Catholic Church, Yale University, the Ford Foundation, or, for that matter, the American Political Science Association? Certainly it cannot be on the basis of their size or social impact—though clearly these criteria would exclude the APSA. Yale University and the Ford Foundation are at least as large and powerful as any one of hundreds of Fortune 500 companies. Nor can it be because the corporation is particularly undemocratic: It certainly is no less democratic than the Catholic Church and probably only marginally less democratic than a university. (Of all our society's institutions, the university probably comes the closest to being controlled by its workers, with the important caveat that self-government is restricted to tenured faculty.)

Is it not significant that not one single institution in our society —whether public or private, profit-seeking or eleemosynary—is governed by those who work for it? Instead, each is controlled by some other group of individuals—stockholders and consumers in the case of business, citizens in the case of government, their membership or senior staff in the case of voluntary organizations, faculty in the case of universities, trustees in the case of foundations—precisely because their accountability to these constituencies is central to the fundamental purposes for which they were established. The issue is not whether corporations should be accountable. The question is accountable to whom?

The privileged position of business

Charles Lindblom is primarily responsible for introducing another view of the place of business in American democracy. He argues that the probusiness slant of public policy is not merely the result of business's superior economic and political resources, but rather that business enjoys a privileged position in a capitalist system because of its unique relationship to the public welfare. This relationship sets it apart from other interests that compete for influence on public policy. Corporate leaders hold a privileged position because, according to Lindblom, society has placed in their hands the responsibility for

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mobilizing and organizing its economic resources. In this capacity, corporate executives "decide a nation's industrial technology, the pattern of work organization, location of industry, market structure, resource allocation, and, of course, executive compensation status." Lindblom contends that this broad category of major decisions has been removed from the political agenda and thus from democratic control. To compound the problem, constitutional rules, especially those protecting private-property rights, prevent public control over corporate decision making from being exercised directly.

As a result, corporate executives must be induced *to perform their primary social functions*; they cannot be commanded to do so. These inducements may take the form of delegated monopoly rights, limited liability, rights of way, subsidies, tax incentives, infrastructural services such as public works and education, insurance, military protection of investments, rights to transfer costs of pollution or other externalities to third parties, and so on. All of these inducements impose costs, in the form of taxes, eminent domain, uncompensated damages, extracted consumer surplus, and the like, on the rest of society. According to Lindblom, this analysis of corporate power requires "no conspiracy theory of politics, no theory of common social origins uniting government and business officials, no crude allegation of a power elite established by clandestine forces." Rather, "simply minding one's own business is the formula for an extraordinary system for repressing change." The result is that "pluralism at most operates only in an imprisoned zone of policy making." He adds that escape from the "prison of the marketplace" is undermined by corporate attempts to mold the desires of individual citizens:

> Consider the possibility that businessmen achieve an indoctrination of citizens so that citizens' volitions serve not their own interests but the interests of businessmen. Citizens then become allies of businessmen. The privileged position of business comes to be widely accepted.

Thus, what is often seen as the quasi-democratic give-and-take of interest-group politics should be understood, in Lindblom's view, to apply only to secondary issues. These are issues for which a broad consensus does not exist within the business community. As these issues reach the political agenda, the public is subjected to competing messages from various business interests. A divided business community is forced to join coalitions and compromise with other societal interests. According to Lindblom, this then can be conveniently cited as evidence of the limits on corporate power, and further reinforces the myth that democratic pluralism is alive and well.

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The essence of Lindblom's argument is that businessmen are uniquely powerful because the government relies upon them to organize the nation's production and distribution of wealth. But while this makes the government dependent on the decisions of businessmen, it also makes business at least as dependent on the decisions of government. In the real world, neither business nor government gets all they want from each other: Government officials are usually dissatisfied with the economy's rate of growth while businessmen invariably argue that their profits would be higher if the government were more responsive to their needs.

It is not obvious whose leverage is greater. A lack of business confidence can lead to unemployment, which frequently, though not always, hurts elected officials. But, by the same token, various government policies—such as inflating the currency, refusing requests for protectionism, increasing taxes or imposing costly environmental controls—can also reduce the wealth of businessmen. Nor is the threat on the part of businessmen to withhold additional investment unless their demands are met as powerful as Lindblom portrays it. For one, its power is fundamentally limited by the fact that it cannot be employed without also hurting the capitalists themselves. In a sense, a "capital strike" is precisely similar to a strike by workers: Both hurt their adversaries, but not without also hurting those who employ them. It is true that capitalists, unlike workers, can readily transfer their resources to a more favorable political jurisdiction. But the power of capital to "flee" is counterbalanced by the ability of consumers to purchase the goods and services produced by the capitalists of another country.

Equally important, the dependence on the economy on "investor confidence" is limited by the fact that the GNP is made up of three components—investment, consumption, and government spending. Companies, after all, can be given every incentive to invest, but unless businessmen have reason to believe that consumers are willing to purchase what they produce, they are unlikely to expand production. At the same time, given sufficient consumer demand, companies are likely to increase their investments—regardless of whatever obstacles politicians may place in their way. (The investments made by businessmen working in the underground economy fall into this category. They take place not as a result of inducements by government but in the face of every effort by government to discourage them.)

A nation's rate of economic growth is affected by the decisions of a multiplicity of individuals and institutions, not just those of busi-

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nessmen. It is true that if businessmen invest less, there will be less economic growth and therefore more unemployment. But companies can dramatically increase their rate of investment and still the economy will stagnate—as long as consumers are not interested in purchasing the products the companies offer. Not only is the economy no less dependent on consumer confidence than on investor confidence, but the economic effects of the former are likely to show up more quickly.

The ability of companies to threaten to withhold making new investments in order to force the government to make public policies to preserve or restore "business confidence," as Lindblom implies they can, is also constrained by the business cycle itself. When the economy collapses—as it did during the early 1930s—it becomes rather difficult for companies to insist on the importance of "investor confidence." The fact that business was generally blamed for the Great Depression significantly weakened its ability to "veto" new government initiatives. It was rather awkward for companies to threaten to increase unemployment when 25 percent of the work force was already unemployed. On a lesser scale, a similar development took place during the mid-1970s. Having been blamed for causing the "energy crisis," the oil industry was scarcely in a position to demand additional concessions—lest the nation's supply of oil be distrupted!

On the other hand, when the economy is performing relatively well, politicians are less likely to take seriously corporate complaints about the costs of government intervention. Ironically, Lindblom's book was published at the end of the 1970s, a decade during which Congress imposed more constraints on business activity than during any comparable time period in American history. Controls on business tend to be increased when the economy is doing poorly and when it is doing very well. It is primarily when its performance lies somewhere in between—as has been the case over the last decade—that politicians become more willing to defer to the needs of business.

Does business make policy?

Lindblom's analysis of corporate power also tends to reify "business." Even though the government has to provide inducements to business to enable the economy to grow, it does not follow that it has to provide inducements to any particular company or industry. After all, segments of the economy can perform poorly even when the economy as a whole is doing relatively well; the reverse is also true. The government can—and in fact does—discriminate among

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businesses. Government spending, tax, trade, industrial and regulatory policies invariably favor particular sectors, industries, regions, products, and even some plants over others. (Indeed, competing to increase their share of benefits from government is among the most important corporate political activities.) This in turn gives government an important source of leverage over business: It can play off different segments of business against each other. And it also tends to increase the power of nonbusiness constituencies, since their support may be critical in enabling certain segments of business to increase their share of governmental favors.

In fact, if governments were actually responsive to even a significant proportion of political demands made by existing companies, the economy would stagnate. There would be no bankruptcies, no imports that competed with domestic producers, no declining industries or regions, no reductions in existing tax breaks or subsidies, no changes in government procurement or spending policies. This state of affairs more accurately characterizes state-socialist societies than capitalist ones; It certainly does not accurately describe the contemporary American political economy. One can, of course, cite numerous public policies whose purpose is to conserve the economic status quo. But these must be placed alongside the economic deregulation of airlines, railroads, trucking, and telecommunications, the Reagan administration's resistance to demands for increased protectionism, and the recent tax reform bill. Each of these policies—deregulation, free trade, and tax reform—has or will undermine the profitability of countless firms and industries, while presumably strengthening the overall performance of the economy as a whole. If politicians wish to encourage economic growth, they would be well advised to ignore rather than defer to what most business lobbyists want.

The fact that there are so many different businesses significantly increases the flexibility of public policy. There are scarcely any tasks that the government might wish to undertake that it cannot find some businessman willing to perform in the expectation of making money. Do we wish to reduce pollution? Such a policy will certainly reduce the profits of those firms that pollute. But the money they are forced to spend on combatting pollution represents, in turn, a source of profit for the manufacturers of pollution-control equipment. Do we wish drug and cosmetic companies to do more testing on their products before they market them? The costs imposed on these firms, in turn, represent a business opportunity for companies that specialize in running laboratory tests. Do we wish to divert resources from the production of weaponry to health care? The

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result will be that the profits of defense contractors will decline and those of the health-care industry will increase.

If one surveys the public policies of the democratic-capitalist nations in the postwar period, one is struck not by how narrowly constrained they have been by the imperatives of a privately owned economy, but how varied they have been. Capitalist economies have prospered with virtually no government ownership of the means of production and with an extremely large public sector, with market-based capital markets and with politically directed ones, with very weak labor unions and with very strong ones, with virtually no environmental protection laws and with extremely strict ones, with extremely generous welfare states and with very limited ones, with regressive tax policies and progressive ones. And, of course, capitalist economies have done poorly under all these varied public policies as well. In short, the relationship between any particular set of policies and economic growth or corporate profitability is by no means as clear-cut as Lindblom implies.

The limits of influence

Even if politicians are persuaded by businessmen that a particular set of policies is necessary to increase economic growth, they can still refuse to enact them. Democratic governments can and do choose to accept lower growth rates in order to achieve other public policy objectives. These range from protecting the livelihood of small, inefficient farmers, as in Japan and France, maintaining the income levels of the elderly, as in Western Europe and the United States, or spending a significant share of GNP on the military as in the United States, Great Britain, and Sweden. There are literally hundreds of policy changes the American government could enact that would likely increase the rate of corporate investment—and thus presumably enhance corporate profits, improve economic growth rates, and reduce unemployment. We do not choose to enact them for a simple reason: Influential segments of the American public are not interested in making the tradeoffs that they would entail. The rate of return to capital does not constitute a fixed point in the social universe around which politicians must structure their economic and social policies. On the contrary, the governments of democratic societies can and do exercise considerable discretion in determining how they wish to allocate their nation's limited resources.

But even if the government—whatever the extent of its commitment to economic growth—was uniquely dependent on the decisions of business managers to perform this task, this by itself does

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not make the privileged position of business unique, for creating wealth is only one of among many responsibilities for which we hold politicians responsible. A far more important responsibility of government officials is to protect the physical safety of their citizens —both from other citizens and from invasion. The former task is generally entrusted to the police, the latter to the military. Does this mean that police officers and generals enjoy a privileged position even in formally democratic polities? Of course it does. Just as the economy may perform poorly if companies are not given sufficient incentives to invest, so may there be widespread civic unrest—or even worse, the loss of a nation's sovereignty—if the claims of the police and the military are ignored. Since these latter two outcomes are certainly as consequential as anything business executives can threaten politicians with, the position of the police and the military must therefore be regarded at least as privileged as that of business.

Because we live in a highly specialized society, different social tasks are entrusted to different groups of individuals. Government, for example, is held responsible for safeguarding the public's health. This, in turn, makes government officials dependent on the skills and commitment of a certain category of medical person; if the latter cannot be induced to perform their tasks—such as, for example, finding a cure for AIDS—tens of thousands of citizens will find their lives endangered. Similarly, if the government wishes to develop more advanced nuclear weapons, put a man on the moon, or design a strategic defense, it makes itself dependent on the relative handful of individuals who possess the appropriate scientific and technical skills. Indeed, since the number of each of these is far smaller than the number of businessmen, each of them is even proportionately more powerful than is each businessman. And unlike those who currently occupy the role of businessman, they cannot be readily replaced.

It is not simply businessmen who warn us that unless they are given additional resources, dire consequences will follow. The head of every single governmental agency and nonprofit institution makes the identical argument. Thus, educators inform us that unless they are given more funds, the next generation of Americans will be inadequately educated. Similarly, military officials tell Congress each year that unless they are given more advanced and expensive weaponry, the sovereignty of the United States will be endangered. Their threats are no more—or no less—credible than those of business executives. Nor are the potential consequences of ignoring their demands necessarily any less severe. Indeed, on balance, the adverse

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social consequences of not giving certain categories of government employees sufficient incentives or resources to discharge their various responsibilities are often much more immediate—and potentially catastrophic—than depriving businessmen of sufficient incentives with which to make additional investments.

Inducements and commands

Lindblom argues that an important source of the unique power of businesses is that they must be induced rather than commanded to perform the "many organizational and leadership tasks that are delegated to them." But, again, how does that make businessmen unique? Our society relies upon a system of inducements to perform an infinite variety of tasks. The electoral system itself functions by inducing politicians, largely in the form of offering them the prospect of being elected or reelected. Contrary to Lindblom's assertion that "government officials . . . [are] directed and controlled through a system of commands," these politicians, in turn, must provide inducements to various public agencies, largely in the form of allocating resources to them. Otherwise, the latter may not assist them in carrying out their electoral promises. Similarly, government agencies cannot command citizens to work for them: They must offer them inducements in the form of wages and various other benefits or privileges. Indeed, since the abolition of the draft, even the military must now induce rather than command a certain proportion of the population to serve in the nation's armed forces.

A *distinguishing characteristic of democratic governments is* precisely that they issue relatively few commands to their citizens. Democratic governments generally do not command businessmen to produce goods and services. And they do not issue commands to workers, telling them where to live or what occupation to follow either. Nor do they issue commands to consumers, telling them what and how much to purchase. They also do not issue commands to university professors instructing them what to teach or to journalists informing them what to write. In short, there is nothing atypical about the relationship between business and government. Democratic governments treat businessmen no differently than it treats anyone else. And command economies treat everyone else like they treat businessmen.

Of course, democratic governments do not rely exclusively upon inducements, any more than the state-socialist societies rely exclusively upon commands. The former also enact innumerable laws and regulations that impose constraints on the behavior of both

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individuals and institutions. These rules are backed up by the coercive power of the state, though their enforcement is obviously uneven. A disproportionate amount of these rules and regulations affect the conduct of businessmen. The government commands companies to pay a share of their profits in taxes, to treat women and minorities fairly, not to export particular products to various countries, to disclose their financial status to prospective investors, not to pay their workers less than a specified wage, and to install various safety equipment in their machinery. Through its control over land-use, the government forbids companies from locating in specified areas, and through the power of eminent domain, it expropriates private property for public purposes. For some sectors of the economy, the government tells businessmen how much to produce and for other sectors, what services it must provide to customers and at what cost.

Moreover, the line between a "command" and an "inducement" is not as sharp as Lindblom's analysis implies. Commands can be regarded as inducements in the sense that one is "induced" to comply with them in order to avoid paying a fine or going to prison. Similarly, if the inducements offered by the government are sufficient to change behavior, then they have the authority of a command; they may, in effect, represent offers that cannot be refused. In any event, the distinction between them does not appear to be particularly critical. Together they provide democratic governments with a substantial capacity to affect the way the private sector allocates its resources.

The power structure

Some political scientists who study the political power of business have focused on the business system itself as a structure of power. This perspective owes much to Marxism, but it is also reflected in the writings of political economists such as John Kenneth Galbraith. The literature in this genre describes a system of economic production in which the distribution of power and privilege is both stable and secure—akin in important ways to that of an authoritarian government. It depicts a "corporate state," dominated by a relatively small number of giant corporations, each of whose managers has achieved a substantial degree of freedom from the restraints imposed by the marketplace.

Until fifteen years ago, this vision was, in many respects, an accurate one. The managerial revolution, first noted by Berle and Means in 1932, appeared to have finally triumphed. American companies were governed by what was essentially a self-perpetuating

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elite, with "stockholder democracy" amounting to nothing more than a legal fiction. Nor were large companies vulnerable to the pressures of marketplace competition: Companies rarely competed on price, and consumer tastes and preferences were both stable and relatively predictable. Moreover, the fruits of technological innovation were usually captured by existing firms. As a result, with only a handful of exceptions, both the industries and the individual companies that dominated the American economic system during the 1920s continued to dominate it throughout the 1960s. And thanks to the steady, and relatively uninterrupted, growth of the economy in the quarter-century following World War II, large companies, regardless of how well or poorly they were managed, were invariably profitable.

A detailed discussion of the changes in American business that have taken place since the early 1970s is beyond the scope of this article, but they include these developments:

- The managerial revolution has been followed by a counter-revolution of stockholders, inspired by investment bankers and supported by institutional investors. Now virtually every American corporation is vulnerable to a hostile takeover, many of which are initiated and backed by investors from well outside the "business establishment."
- Economic conditions are increasingly unpredictable and unstable. Since the early 1970s we have witnessed two major recessions, a prolonged period of inflation as well as both a major increase and then an equally unexpected decrease in the price of agricultural products and raw materials, most notably energy. Each of these developments has wreaked havoc on corporate balance sheets; large corporations no longer automatically make money.
- The deregulation of financial markets, airlines, railroads, and trucking have forced a substantial segment of the American business community to engage in actual price competition for the first time in decades. The market shares of companies in each of these industries now changes constantly and a number of firms have either been forced to merge or become bankrupt.
- The northeast quadrant of the United States, which dominated American manufacturing and finance for more than a century, has lost a significant share of its wealth and power to the Sun Belt.
- The United States is in the midst of an entrepreneurial revolution. Since 1980, new businesses have been formed at the rate

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of approximately five hundred thousand a year. Many of these firms are in industries that did not exist a decade ago, while others have successfully challenged the market positions of previously established companies. As a result, virtually no American companies—even the very largest—remain unthreatened by marketplace competition.

- American industry has become vulnerable to foreign competition: Approximately 70 percent of the products manufactured in the United States now face competition from imports—up from 20 percent fifteen years ago. The increase in the extent of international trade among the established industrial nations, coupled with the aggressive export strategies of the newly industrializing nations—primarily from the Pacific—has meant that the world marketplace is much more competitive than at any time in recent history.
- Finally, the control and ownership of capital within the world economy as a whole has begun to change significantly. The historic dominance of the global economy by Western Europe and the United States has been steadily eroding. The world's economic center of gravity is moving from the Atlantic Basin —where it has been concentrated for nearly five hundred years— to the Pacific.

Each of these developments challenges the notion that business constitutes a stable system of power; on the contrary, those who currently control and own capital can no longer be assured of maintaining their wealth or power into the future. They are, in fact, no more or less vulnerable to changing economic conditions than politicians are to changing political currents.

Of all of these developments, among the most important concerns is the changing role of the large business corporation. Both Dahl and Lindblom explicitly single out the "large" business corporation. Dahl considers worker self-management to be particularly important for large corporations, while Lindblom specifically mentions the large firm in the oft-quoted final two sentences of *Politics and Markets*. The "business as a system of power" perspective also assumes that the large corporation is the prototypical form of capitalist enterprise. But is it? There is growing evidence that suggests that the large business corporation is becoming an increasingly *less* important form of wealth creation in advanced capitalist societies. Each year a smaller proportion of Americans work for large firms; virtually all of the recent growth in private-sector employment in the American economy has taken place in smaller companies. More

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importantly, many of the most dynamic and innovative sectors of the American economy tend not to be dominated by large companies; this is particularly true of the rapidly growing service sector. If these trends continue—and many students of management believe that they are even likely to accelerate—then one of the central assumptions of critics of corporate power may no longer be valid.

Dahl's notion that the corporation is in fact a private government should be taken seriously. But we need to do more than simply assert this. We need to describe how power is actually distributed in the corporation. Are corporations actually institutions in which the many are regularly "chained in submission to the few"? as one political scientist described them. How much mobility is there within them? How are wealth and income distributed among their employees and according to what criteria? How much freedom are individuals actually able to exercise at different levels of the corporate hierarchy? And if we are to search for ways to make corporations more democratic, which kind of decision making is the most appropriate? Should we focus on altering the authority structure of the work unit, plant, division, or all of a company's production units within a particular geographic region?

Clearly businessmen exercise political power. But that is hardly the issue. In a democratic society, *all* citizens, in principle, have the opportunity to exercise power. Presumably, none of the critics of pluralism believes that a businessman should have *less* power than anyone else. The issue is: Do they wield power out of proportion to their numerical representation in our society? Given that a significant portion of Americans either own or manage business, it is by no means clear that they do. Moreover businessmen are not in a position to influence equally all kinds of decisions. Their opinion, for example, as to whether or not we should permit abortions or provide hand-held missile launchers to the rebels in Afghanistan presumably carries no more weight than that of any other group of citizens. On the other hand, they might well be able to affect disproportionately tax or regulatory policies. But what is the relative importance of the issues whose resolution they are in a unique position to affect as compared to those which they are not?

If political scientists are to advance our understanding of the extent and scope of corporate political power, they need to express their arguments in terms that can be tested and falsified. Just how successful, in fact, is business in getting what it wants from government and how does its influence vary from industry to industry, from issue to issue, and over time? Of course individual companies,

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trade associations, and inter-industry coalitions wield significant political power. In many respects, the power of business is now clearly greater than it was a decade ago. Between the 1960s and 1970s, however, business found its power and influence effectively challenged by other political constituencies, most notably the public interest groups. There is nothing about the nature of power exercised by business that cannot be accounted for within the framework of interest-group politics. Nor is the challenge posed to democratic thought or practice by the large corporation any different than that of any other large bureaucracy—whether private or public. We need not abandon pluralism in order to understand the political power of business in capitalist democracies.

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"Public choice" and public spirit

STEVEN KELMAN

JAMES BUCHANAN has been awarded the 1986 Nobel Prize in Economics. In one sense, the prize is richly deserved. Buchanan has pioneered a new way of thinking about the political process that now comes naturally to academic economists and has made important converts among political scientists. Among his pupils and disciples in government he can count Senator Phil Gramm and Office of Management and Budget director James C. Miller III. In another sense, though, the award is a sad event. It features economists themselves applauding efforts to extend the reach of economic analysis far beyond the area where it is useful—in the analysis of the economy—into areas where the marketplace paradigm is inapposite and pernicious.

Some economists, such as Gary Becker of the University of Chicago (who may himself be up for a Nobel Prize soon), have specialized in escapades such as the economic analysis of romantic love. Others, like Buchanan and his followers, have specialized in economic analysis of the operation of the political process, an approach known within academia as "public choice." These efforts have one thing in common: They all start with the assumption that there is no difference between economic man and romantic man or political man. People act everywhere as they do in the marketplace. They

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are out only for themselves, and typically in relatively gross, money-seeking ways like the "pigs at the trough" David Stockman once talked about. Do you want to understand why government officials behave the ways they do? All you need to know is that they are trying to maximize the budgets of their agencies. Do you want to understand what drives politicians? All you need to know is that they want to be reelected. Do you want to understand legislation? Just see it as a sale of the coercive power of government to the highest bidder, like a cattle auction.

My own view is that this account of the operation of the political process is a terrible caricature of reality. It ignores the ability of ideas to defeat interests, and the role that public spirit plays in motivating the behavior of participants in the political process. (By "public spirit," a somewhat old-fashioned term that I consciously choose to use, I mean behavior motivated by the desire to choose good public policy.)

The "public choice" argument is far worse than simply descriptively inaccurate. Achieving good public policy, I believe, requires the presence of a significant public spirit in the veins of the body politic. Furthermore, one of the roles of government, separate from any specific substantive policies it produces, is to provide people with a forum where they may display a concern that they want to show for others. In addition, if the political process functions as it should, the process will serve as a school that helps mold character. For all these things to happen, a norm of public spiritedness in political action—a view that people should not simply be selfish in their political behavior—is crucial. The public choice school is part of the assault on that norm.

The self-interest view

The view that political behavior is dominated by self-interest has come to achieve prevalence in academic discussions through the extension of the assumptions of microeconomic theory into the analysis of the political process. Beginning with the assumption that people's choices are motivated by self-interested maximization (the effort to get as much as one can of the things one wants for oneself), economics has, in the centuries since Adam Smith, developed a remarkable body of theoretical propositions about the production and exchange of goods in the marketplace. These propositions have been powerful enough and (not unimportantly for scholars) often counterintuitive enough to earn economics the title of "queen of the social sciences"—and to generate a powerful urge among econo-

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mists to apply the tools of economics to the analysis of institutions outside the marketplace. Thus "public choice" was born.

These efforts emerged with the publication in 1957 of *An Economic Theory of Democracy* by Anthony Downs and of *The Calculus of Consent* by James Buchanan and Gordon Tullock in 1962. Downs began his account with what he called "the self-interest axiom," that is, the view that political behavior is "directed primarily toward selfish ends." Following this general axiom, politicians, Downs assumed,

> act solely in order to attain the income, prestige, and power which come from being in office. . . . [They] never seek office as a means of carrying out particular policies; their only goal is to reap the rewards of holding office per se. They treat policies purely as a means to the attainment of their private ends.

Buchanan and Tullock began with the same behavioral assumptions as Downs. "The average individual," they wrote, "acts on the basis of the same overall value scale when he participates in a market activity and in political activity."

Common to all public choice writing is the important conclusion that, while pursuit of self-interest in the marketplace maximizes social welfare, pursuit of self-interest in the political process creates catastrophe. Different public-choice scholars have reached this common conclusion in different ways. Buchanan and Tullock, in *The Calculus of Consent*, argue that problems arise from simple majority rule, where the majority often gangs up on the minority to steal its property.

Another strand within public choice theory has emphasized the baleful effect of interest groups. The Chicago economist George Stigler argued that the propensity to organize will increase the greater the benefit each member has at stake and the smaller the size of the group. Producer interests, for example, which are often rather small in size and in a position to capture enormous benefits from government, will generally be better organized than consumer interests, since the number of consumers is enormous and the loss per consumer resulting from government policies aiding producers is generally tiny. A benefit of one hundred thousand dollars a year to a producer, if divided among one hundred thousand consumers, will cost each consumer only a dollar. The specific interest will thus win out in the political process over the general interest, even though it may be smaller in numbers.

The force of Stigler's argument applies to the influence of special interests, compared with the more diffuse interests of citizens or consumers. For earlier political science critics of pluralism, "special

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interests" generally meant the wealthy. The public choice analysis, emphasizing the benefits and costs of organization rather than the sociological status of the rich or the poor, sees the danger of special interests winning out over the public at large in many contexts, and not only when the special interests are wealthy. Special interests may include auto workers winning restrictions on foreign cars or even rifle enthusiasts winning relaxation of gun control. In all these cases, though, the political process will tend to produce inefficient subsidies for the organized at the expense of individually small (but cumulatively large) costs to the unorganized. In the jargon this is often called "rent-seeking" behavior.

Public choice scholars have also applied the self-interest assumption to the behavior of bureaucrats working for government, with similarly grim results. In his book *Bureaucracy and Representative Government*, William Niskanen saw bureaucrats as "budget maximizers." Niskanen argued that bureaucrats are in a good position to obtain large budgets. They are monopoly suppliers of public services that people want, and they have much more information than their legislative overseers about how much it really costs to supply those services. This allows them to claim they need a larger budget than they in fact do. The result of all this is that "all bureaus are too large." Buchanan and Tullock, in separate writings, have followed a somewhat different tack regarding bureaucrats and the size of government. Government grows, writes Tullock, "to a very large extent because the factor suppliers"—that is, people who work for the government—"are permitted to vote." They are a constituency for larger government and will inevitably elect politicians supporting a government that is larger than the median nonbureaucrat citizen would want.

Our "single-minded" congressmen?

The public choice approach to the study of the political process began to migrate in a serious way from economics into political science during the 1970s with the publication of two of the most widely praised and influential political science books of the decade, *Congress: The Electoral Connection* by David Mayhew and *Congress: Keystone of the Washington Establishment* by Morris Fiorina.

Mayhew began with the view that members of Congress are "single-minded seekers of reelection." In a world where the connection between the behavior of individual congressmen and final legislative results is difficult to pin down, and where voters generally have little information about the behavior of their representatives,

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the single-minded concern with reelection produces two kinds of behaviors. One is what Mayhew called "credit claiming," which he defined as "acting so as to generate a belief" among voters that "one is personally responsible for causing the government" to do something voters like. A second is what Mayhew called "position taking," which he defined as "the public enunciation of a judgmental statement" on issues voters care about.

Both these behaviors have negative consequences for the results of the political process. First, it is easier to take credit for obtaining particularized benefits for one's district, such as a new federal building, since the claim that a congressman is responsible for, say, beating back inflation lacks plausibility. Second, congressmen suffer little disadvantage electorally if what legislation constituents want fails to pass, as long as the member is clearly identified in public with its support. This produces a government that is not necessarily too big or too small, but ill-proportioned. There is too much particularized legislation and too few laws dealing with general problems. Meanwhile, congressmen themselves are windbags, making impassioned statements in order to demonstrate to constituents that they "care" about issues important to them, while displaying an utter lack of interest in actually accomplishing anything.

Fiorina's book presented a portrait of politicians that is even more devastating, if that is possible. Central to Fiorina's argument was the view that congressmen can turn unhappiness with government programs to their own advantage by servicing the problems constituents have with the bureaucracy. Members of Congress have increased their ability to get reelected, Fiorina argued, by voting new government programs that created bureaucratic nightmares —and then helping constituents deal with those problems! Fiorina's analysis, unlike Mayhew's, does produce a government that is too large, for an activist government is required to generate the complaints from constituents that congressmen can then deal with and use for reelection advantage.

It is interesting to note the progression of brazenness that occurs from *The Calculus of Consent* in 1962 to *Congress: Keystone of the Washington Establishment* in 1977. Buchanan and Tullock, in their first book together, adopted a tone that was almost apologetic about their use of the self-interest assumption for the political process. Certainly, they regarded themselves as idiosyncratic; earlier theorists, they noted, had generally assumed that the average political participant "seeks not to maximize his own utility, but to find the 'public interest' or 'common good.'" This tone of humbleness, how-

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ever, disappeared in later works. In an article published in 1979, Gordon Tullock noted that "the traditional view of government has always been that it sought something called 'the public interest'" but that, "with public choice, all of this has changed." (Tullock adds, with a bit of contempt, that "the public interest point of view still informs many statements by public figures and the more old-fashioned students of politics.") By the time Fiorina writes, what might have once been seen as conspiratorial speculation had become scholarship that is not only respectable but highly acclaimed. Times, and academic fashions, have changed.

In arguing for the extension of the self-interest assumption from the marketplace to political behavior, James Buchanan notes that otherwise

> man must be assumed to shift his psychological and moral gears when he moves from the realm of organized market activity to that of organized political activity. . . . [One must demonstrate that there is] something in the nature of market organization, as such, that brings out the selfish motives in man, and something in the political organization, as such, which in turn suppresses these motives and brings out the more "noble" ones. . . .

This is exactly what an alternate view of the wellsprings of political behavior maintains: There are features of public life that make it an appropriate forum for public spirit. In this alternate view, self-interest does not by any means disappear from political life—it is a far too powerful motivating force in human behavior for that. But public spirit has a pride of place that translates into an important role in the political process.

Public spirit and political behavior

The best test of the importance of public spirit in the political process is the ability of ideas to overcome interests in determining political outcomes. If self-interested behavior, whether of popular majorities or of interest groups, would have dictated one kind of outcome, and general ideas about good public policy another, then the extent to which political choices reflect the ideas rather than the interests will constitute a strong test of the importance of public spirit.

Does self-interest in fact turn out to dominate the political process? It is no trick to come up with countless specific examples of situations where political choices have been crucially determined by participants furthering quite narrow selfish interests. Everyone has a favorite story of the highway that got built because a powerful member of Congress wanted it in his district or of a tax loophole an interest group sneaked through with few in Congress knowing any-

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thing about it. Certainly there is no lack of straightforward self-interested behavior in the political process.

As a general rule, however, the more important a policy is, the less important self-interest is in determining the policies we get. Self-interest helps explain the location of a new federal building in Missoula. When all is said and done, however, it does little to help us understand the major policy upheavals of the past decades.

How could a self-interest account of the political process explain, except through the grossest of contortions, the vast increases in spending for the poor that occurred in the 1960s and early 1970s? The poor were not an electoral majority, nor were they well organized into interest groups. (Public choice theorists sometimes point to the power of interest groups representing providers of services to the poor. The hypothesis that an invincible lobby of social workers overwhelmed a defenseless political system is, to put it diplomatically, idiosyncratic.) What about the growth of health, safety, and environmental regulation during the late 1960s and early 1970s? These programs were adopted against the wishes of well-organized producers. They were intended for the benefit of poorly organized consumers and environmentalists. (Much of the organization of environmentalists into interest groups *followed* environmental legislation, rather than preceded it.)

In addition, biases in the political process that public choice advocates believe produce a bloated government can hardly explain the *growth* of government in the 1960s and 1970s unless one can successfully argue that the level of bias increased during the period when the growth took place. Otherwise, the bias should have already produced larger government in the earlier period. Furthermore, the big increases in government spending since the 1950s have not been in grants to localities, which provide particularistic constituency benefits for members of Congress, but in various general transfer programs that do not allow members to demonstrate that they have gotten something special for their districts.

The self-interest model of politics does equally poorly in accounting for rollbacks in government programs during the late 1970s and 1980s. In the late 1970s, the greatest victories for industry deregulation were won in exactly those industries, such as trucking and airlines, where well-organized producers benefited from regulation and the consumers who would benefit from deregulation were largely unorganized. By contrast, little occurred in areas such as environmental policy where well-organized producers supported deregulation. In other words, the pattern of deregulation was exactly the *opposite* of that predicted by the self-interest model.

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It is, furthermore, hard to see any one-to-one correspondence between the economic difficulties the country faced during the 1970s and the program of reduced government intervention adopted to deal with these problems. Economic difficulties in the 1930s had produced a growth in the role of government in managing the economy, not a rollback. Economic distress itself neither made government grow nor shrink. What made it grow or shrink was the force of ideas linking the problems everyone perceived with solutions that government could adopt. Furthermore, well-entrenched interest groups fought to retain each government program President Reagan sought to cut. Often only the diffuse interest of taxpayers in general stood on the other side. And, of course, President Reagan's success with tax reform is the latest example of the ability of ideas to overcome even the most entrenched of special interests.

The story of government growth in the 1960s and of its limitation in the 1980s, then, are both stories of the power of ideas. They powerfully reinforce the message that ideas have consequences and that persuasiveness is the most underrated political resource.

Between cynicism and Pollyanism

The self-interest theories not only have a difficult time explaining most of what has been important in American politics over the past twenty years, they also give, at best, an incomplete feel for the process itself.

To be sure, the naive observer expecting public-spirited deliberation unsullied by parochial perspectives and even by some dirty trickery would hardly be prepared for Washington. But neither would the hard-boiled, street-wise cynic or his public-choice counterpart in academia. The self-interest view has no sense for the importance of being able to make a good argument, of having the facts on one's side, of being able to present an appealing public vision, or of having a reputation for seriousness and commitment. Yet all this clearly appears in descriptions of the process by close observers. For example, two journalists spent significant time following Senators Edmund Muskie and John Culver in the late 1970s, each to observe what the life of a senator was like. What is especially significant about their accounts is that journalists normally are inclined to expect sleaziness from politicians, and yet both these accounts found mostly substance. (Bernard Ashball, who wrote the book on Muskie, was apparently surprised enough by what he saw to title his book *The Senate Nobody Knows*.) Both volumes are filled with accounts of senators, mostly in committee settings and hence

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on issues about which they are knowledgeable, seriously debating the merits of proposed legislation. The accounts of committee mark-up sessions (where committee members craft actual legislative language) on Clean Air Act amendments, which take up much of Ashball's account, include surprisingly sophisticated arguments about philosphical and practical questions involved in the design of environmental policy.

The books both emphasize how important the ability to make a credible and convincing argument is for congressmen. "Real power" in the Senate, Muskie is quoted as saying, "comes from doing your work and knowing what you're taking about. . . . The most important thing in the Senate is credibility." Along similar lines, a group of freshmen congressmen, discussing their experiences for political scientists in the book *Congress Off the Record*, "made frequent allusions to the importance of knowledge and expertise" in determining "who wielded real power in committee and in the House."

The view that self-interest is key to understanding how the political process works is also belied by the influence of the media. On superficial examination, the influence of the media might be seen as consistent with the view that people in government are out only for adulation or reelection, since the way one is treated in the media certainly has an impact on attaining either goal. It is necessary to remember, however, that what generates good (or bad) attention in the media are generally actions where one either has sought to do the right thing or instead acted selfishly. If neither people in government themselves nor the voters who select elected officials thought that it was important to try to do the right thing in politics, media brickbats would be a matter of indifference to their intended victims. Sticks and stones could break their bones but names would never hurt them. The great influence of the media suggests, however, that failure to show public spirit indeed *can* hurt these people, in their own eyes and in those of others.

The pocketbook and the ballot box

Moving now from the level of the system as a whole to the behavior of individual citizens and government professionals, how important is self-interest and how important is public spirit in describing their actions? The classic view in the early empirical voting studies of the 1950s was that the voting behavior of individual citizens was mostly guided by self-interest. This view was developed in works appearing in the 1970s on the link between economic conditions and election results. With the modern techniques of social science, these

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studies confirmed something most politicians already knew intuitively, namely, that incumbents do well in times of economic prosperity and poorly during times of economic distress.

In what has probably been the most interesting body of empirical political science research done in the last decade, extensive evidence has now been uncovered that questions this view. The connection between economic conditions and overall electoral results is indeed a very clear one. What scholars have now done is to move from the aggregate level of *overall* economic conditions and *overall* electoral results to the level of *individual* economic conditions and *individual* voting decisions. When they do so, the results are surprising. If voters vote their personal pocketbooks, one would expect those who have themselves become better off to favor the incumbents. Those not personally sharing in the prosperity would not be expected to display such a tendency. Likewise, in times of economic distress one would expect the individual victims of bad times to punish the incumbents. However, a series of tests by the political scientists Donald Kinder and Roderick Kiewiet, using individual-level survey data, has devastatingly shattered this hypothesis. Respondents' answers to a question about whether their personal financial situation has improved, worsened, or stayed the same over the previous year show essentially *no* connection to changes in voting behavior. By contrast, though, there are substantial correlations between a voters' view of economic conditions in society *as a whole* and the individual's voting behavior. This relationship holds even when one controls the effects of a personal economic situation on the ability to judge the overall economic condition. The observed connection at the aggregate level between the economy and the electoral success of incumbents results not from self-interested rewards or punishments from voters who have personally done well or poorly. The connection comes instead from judgments by voters about whether the economy *as a whole* is doing well, independent of how the voter is doing *personally*.

A conceptually similar body of research has been conducted by the political scientist David Sears and his colleagues at UCLA who have investigated how personal self-interest in a political issue accounts for attitudes on the issue. Thus, for example, these scholars have examined the extent to which attitudes towards the war in Vietnam were influenced by whether one had family or close friends fighting there. The findings are dramatic. Regarding attitudes on Vietnam, having a relative or close friend actually fighting in Vietnam had far less effect on views of what American policy should be

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than the respondent's self-anchoring on a liberal-conservative scale or his attitudes toward communism. Likewise, in another study, liberal or conservative ideology did a considerably better job predicting a respondent's views on government national health insurance or guaranteed jobs programs than whether the respondent himself was covered by health insurance or had recently been unemployed. In other words, conservatives who themselves had no health insurance protection were less likely to favor national health insurance than liberals who had coverage of their own. As part of a study on business and American foreign policy, the political scientists Bruce Russett and Elizabeth Hanson did a survey of the attitudes of corporate executives on foreign policy issues. They found that respondents' views on domestic liberal-conservative issues such as civil rights did a far better job predicting their foreign policy views than whether their company had lots of defense contracts or investments overseas.

One possible response to these data would be to suggest that politics is not crucially important for most people and that, therefore, it's easy to display public spirit in one's political attitudes because it doesn't cost much. On issues that really are important to people, including political issues, one might, according to this view, expect self-interest to hold sway.

I don't think this argument is incorrect, but I do think it is somewhat off the point. Certainly the evidence is overwhelming that most people are far less than obsessively interested in politics. Significant numbers of citizens have weakly held opinions, or no opinions at all, on many political issues. The point is not that people are saints, willing to sacrifice all for the sake of others. Having political opinions based on general views about the best public policies may indeed often be a low-cost form of altruism (although the cost in taxes may not be insignificant at least in the case where such views lead to government programs that cost money). Nor are most people philosophers or professional policy analysts. Views can be based on general conceptions of right and wrong without being particularly sophisticated. Nonetheless, in a world of many political issues and of an overall modest level of interest in politics, one can expect to find a strong reservoir of political input based on general ideas of what policy would be right. Such input is likely to be an important factor in the process.

I also agree that in situations where people have substantial personal interests at stake, interests that can be perceived fairly clearly and directly, and where some clear government policy will affect

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those interests, the role of self-interest in the political behavior of individuals is likely to increase. Interests groups such as the Synthetic Organic Chemicals Manufacturing Association, the National Association of Dredging Contractors, the Society of American Travel Writers, or the National Association of Scissors and Shears Manufacturers, which are everywhere in Washington, would hardly seem to have been brought into existence by public spirit. Their behavior can be held in check by public-spirited norms in the system, which affect the way interest groups present their demands and the nature of the demands they can make on the political system. Certainly, the political behavior of many interest groups constitutes the most important exception to the argument that public spirit is important in accounting for the viewpoints that citizens take in the political process.

Why public servants serve

Turning to the behavior of professional participants in government—elected officials, officials of government agencies, judges—a number of comments are in order. These people receive rewards and bear costs far more significant than those of individual citizens casually participating in politics. For example, politicians get their names in the newspapers and on television. They may frequently be the objects of deference and adulation. And all those who possess formal political authority experience some of the feeling of power that comes from the ability to establish public policies with the force of law. But politicians also work very long hours, much of it on the road away from their families, for salaries that are relatively low for work with the responsibilities and time demands their jobs make.

What are the distinctive advantages that might draw people to government? It is hard to see the lust for power, in a general sense, as a *distinctive* advantage of a career in government. Business leaders, within their own firms, doubtless exercise greater power, with fewer checks, than do participants in the political process of a democratic society. "The search for the jugular of power," notes the Yale political scientist Robert Lane, "may very likely lead to the world of finance, journalism, or industry instead of politics." This does not mean that the power-hungry will avoid politics, only that there is no reason to expect that a particularly disproportionate number of such people will participate.

There are two motivations that are, I think, relatively distinctive to government. One (much more so for elected officials than for civil servants or even political appointees) is the desire for attention

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and adulation. Anyone who has dealt with politicians knows how important media attention can be to them. A second motivation is the desire to participate in the formulation of good public policy. People who go into politics for this reason may be seen as "seeking power," but of a special sort—influence over public choices.

The sparse literature on the topic of why people go into careers in government is not very enlightening, both because of the problems of relying on the self-reports of respondents and because of a tendency on the part of many authors to psychoanalyze their subjects. But the literature does at least suggest that public spirit is an important reason many people go into politics. The largest group in Duke political scientist James David Barber's sample of Connecticut legislators fits into the category he calls "lawmakers"—those who derive satisfaction from producing good legislation. The reasons top federal appointed officials give for going into government heavily emphasize the unique vantage point government service gives for making the world a better place. In a 1984 survey of senior civil service managers in the federal government, respondents were asked, "To what extent are the following reasons to continue working for the government?" Only 18 percent said that their salary was a strong reason for staying (or more of a reason to stay than leave), and only 10 percent said that about their promotional opportunities. Seventy-six percent, however, responded that the "opportunity to have an impact on public affairs" was a reason to stay. A study by Edward Lawler III, a professor of management, comparing the importance of pay for different kinds of managers concluded that "managers in industrial organizations place the most importance on pay; people who work in government agencies place less emphasis on pay; and people who work in hospitals and social service organizations place the least emphasis on pay." The political scientists Dean Mann and Jameson Doig report that recruiters trying to persuade people to take jobs as assistant secretaries, many of whom would be serving at considerable financial sacrifice, make heavy use of arguments about serving one's country. Likewise, they report that the ability to influence policy in the direction of one's policy views was a strong reason why candidates offered these positions accepted them.

Vocational guidance tests provide some interesting insights here. These help young people determine what careers might be appropriate for them through a battery of questions that test their interests and inclinations. The most widely used test does not include "politician" as a possible occupation, but it does include "public

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administrator." The cluster of occupations in which public administration is included, based on similar responses to the battery of questions, also includes the occupations of rehabilitation counselor, YMCA general secretary, social worker, and minister.

Also, it is worthwhile to note that the desire for adulation and attention does not necessarily work against public spirit, and, in fact, it often works in the same direction. Certainly, people driven by their self-interest are not likely to get far in the estimation of others, who have no particular reason to value the self-interest of another person. Indeed, the type of person who seeks the admiration of others to an unusual degree is one who is unusually likely to realize that others are important.

Nurturing public spirit

Clearly, government has become, for many, an appropriate forum to display their concerns for others. Why? That political decisions involve the community as a whole—and often future generations as well—encourages people to think about others when taking a stand. This is in contrast to personal decisions involving mainly oneself, which encourage people to think mainly of themselves when making them. Furthermore, political choices in a democratic society do not only involve others, they also require the consent and participation of others in order to get made in the first place. This requirement for cooperation reminds people of the need to involve others if they want to achieve their goals. Also, the requirement for the consent of others means that political argument inevitably must be formulated in terms broader than that of the self-interest of the individual or the group making the claim, since there is no reason for others to support a claim simply based on my self-interest. Even when making a claim that asks for something one personally wants (such as, say, a poor person demanding increased welfare payments or a journalist demanding freedom from censorship), the claims must be formulated in terms of general ethical arguments.

It is hard, however, to imagine that public spirit could be sustained simply by an accidental agglomeration of individual decisions to regard public spirit as the appropriate motivation for political action. Crucial to any ability to maintain public spirit is the continuing existence of a social norm that declares it appropriate for people to try to do the right thing in public behavior and inappropriate for them simply to seek to advance their personal interests.

Norms are crucial. They can also be fragile. Cynical descriptive conclusions about behavior in government threaten to undermine

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the norm prescribing public spirit. The cynicism of journalists—and even the writings of professors—can decrease public spirit simply by describing what they claim to be its absence. Cynics are therefore in the business of making prophecies that threaten to become self-fulfilling. If the norm of public spirit dies, our society would look bleaker and our lives as individuals would be more impoverished. That is the tragedy of "public choice."

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Into the insurance mess —and out

JEFFREY O'CONNELL

IN THE CURRENT FUROR over liability insurance, insurance companies blame the lawyers, and the lawyers blame the insurance companies. For the insurance industry and its institutional insureds—businesses, health care providers, local and state governments, etc.—the answer to "the insurance mess" is "tort reform," by which they mean statutes that would curtail what are perceived as the excesses of tort law. Specifically, they propose:

- Limits on pain and suffering awards of, say, $100,000 or $250,000 or $500,000.
- Eliminating or severely curbing the occasions when punitive damages can be awarded.
- Limiting contingent fees for plaintiffs' lawyers in order to curb the incentives for lawyers to press litigation. For example, 40 percent of the first $50,000, with the share dwindling by steps to only 10 percent of any recovery over $200,000.
- Deducting from amounts payable by the defendant any other insurance already payable to the plaintiff from, say, his health or disability insurance.
- Eliminating or restricting the application of strict liability under which a seller can be held liable for a defective product even though he was not in any way negligent.

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- Abolishing or altering the doctrine of "joint and several liability," under which a defendant (such as a park district) which is only 1 or 2 percent negligent can be held liable for almost the entire award of millions of dollars, if another party overwhelmingly more at fault in causing the accident (a manufacturer of playground equipment, for example) is either insolvent or grossly underinsured.

Some such reforms have been enacted in many states, including California, Missouri, and Indiana, and are under consideration everywhere else. Even the Reagan administration has proposed such reforms, despite a conservative administration's natural reluctance to invade a domain traditionally controlled by the states.

To support such proposals, doctors and business executives—*frequent defendants in enormous liability cases—have staged massive* and well-publicized marches on Washington, D.C., and state capitols all over the country. Said Ohio Democratic Congressman Thomas Luken at one such rally, "Probably no recent issue has snowballed so quickly."

The call for reform

A "solution" to the problems created by current tort law that merely further restricts compensation for injured persons strikes many as a questionable solution. As one might imagine, the response of the trial bar to such proposals has been one of outrage. Says Robert Habush, president of the Association of Trial Lawyers: "In my 25 years in law, this is as serious a threat to the civil justice system as I have ever seen. People have decided there is going to be a hanging, and it is just a question of what tree and what rope." The trial bar has skillfully enlisted the support of many consumer groups, including Ralph Nader's organizations, in opposing such reforms. Some thirty consumer groups have formed a new association called the Coalition for Consumer Justice to block the tort reforms being proposed by the insurance industry and its corporate insureds. The objective, says its president, Nader supporter Joan Claybrook, is to "counteract a nationwide lobbying campaign by the insurance industry to limit the legal rights of innocent consumers and victims."

The Coalition charges that a "massive assault" has been launched seeking to dismantle the civil justice system. Likewise, J. Robert Hunter, an insurance industry gadfly, and president of the Nader-founded and funded National Insurance Consumer Organization (NICO), recently protested at an Illinois legislative hearing, "If the tobacco industry came in here and said, 'We're having a little trou-

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ble with our profit. Would you mind putting a cap on civil rights?' you'd toss them out of here." According to Jay Angoff, another official of the NICO, in testimony before a U.S. Senate committee, the reason for the current insurance malaise is that insurance companies need to attract premium income during times of high inflation in order to reap investment income, and in so doing, they write high-risk policies at low rates in order to compete with other insurers also seeking premium—and therefore investment—income. But, says Angoff, when inflation is lower, as it has been recently, insurers unable to find high-interest investments shuck their risky policies. As Robert Hunter lectures the insurance industry, "At the top of the cycle you write [policies] for everybody, no matter how bad, and at the bottom you cancel everybody no matter how good. It's a manic-depressive cycle."

In congressional testimony, Ralph Nader himself charged that the insurance industry has gone "beserk," first by drastically slashing premiums in the late 1970s and early 1980s to procure cash flow, and then drastically increasing rates after the industry hit bottom in 1984. Not satisfied with fleecing thousands of businesses such as daycare centers, charged Nader, now the insurance industry wants to take away the basic rights of citizens. In this respect Nader was echoing the remarks of Gerry Spence, a legendary Wyoming personal-injury lawyer who has remarked, "What the insurance companies have done is to reverse the business so that the public at large insures the insurance companies."

Nader was particularly incensed at Lloyds of London, and accused the London market of trying to force the United States into reducing accident-victim rights under American common law. According to Nader (who is never short of rhetoric), the London market is acting like "King Lloyd," reviving memories of that earlier British tyrant, King George.

In sum, the trial lawyers and their allies in the consumer movement charge the insurance industry with using the shortage of insurance coverage—that it created—as part of a conspiracy to justify exorbitant premiums and/or to withdraw from writing coverage in order to curtail the rights of injured parties.

As usual, Nader and his supporters have a point: It *is* unfair to reform the tort system—a system under which it is very tough for an injured person to be paid, especially for a seriously injured person—by making it even tougher to get paid or to be paid a lot less when one is paid. After all, there are many serious claims to recompense. One cannot ignore the cancers blindly induced by asbestos manu-

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facturers, nor the claims for punctured and destroyed uteruses, pelvic infections, abortions, and injured infants that were the tragic aftermath of A.H. Robins' Dalkon Shield intrauterine device. Unquestionably, the availability of civil remedies to redeem such wrongs remains vital, for reasons of either basic justice or basic economics. Moreover, the availability of civil remedies in response to injury may have a positive effect: Some doctors will admit in private that the threat of malpractice litigation has led to greater care and concern for patients.

The cost of liability

The existence of product liability seems to have created a similar atmosphere of caution among manufacturers. Robert H. Malott, chairman of the FMC Corporation and head of the Business Roundtable's task force on product liability, states that "the crisis in liability insurance has made risk management a main concern for top corporate decision makers." An example of that kind of risk management took place several years ago when manufacturers were faced with a spate of tort claims over multipiece truck wheel rims that sometimes exploded once huge high-pressure tires were mounted on them. In response, top management turned to Failure Analysis Associated of Palo Alto, California, a large engineering firm with an extensive data base on accident severity and frequency. A Failure Analysis's statistical engineering study showed that the multipiece rims had accident rates no higher than single-piece rims, with the actual culprit being the procedure used to inflate and mount the tires. As a result, industry-wide training standards were instituted that, in turn, reduced injury rates by 80 percent.

In answer, though, to trial lawyers and consumer advocates, any conspiracy theory in explaining the constricted insurance market, is, like all conspiracy theories, hard to substantiate. The insurance industry consists of more than nine hundred companies competing for business. If there is so much money to be made in writing insurance, why are so many companies withdrawing from so many lines of coverage when they can't create any profit from doing so? Besides, as Lyndon Olson of the Texas insurance regulatory body observed: "These folks [insurance executives] are too greedy to collude."

But even without rising liability insurance rates, the tort liability system would still be in need of drastic changes. For despite the trial lawyers' valid point that the tort system intuitively makes sense in making a wrongdoer pay an innocent victim of his wrong-

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doing, there is the problem that accidents happen under very complex circumstances. They happen in the split second of an automobile collision or during the organized chaos of surgery. They happen when a toaster explodes or when an industrial machine malfunctions. The interconnection between the malfunctioning machine or procedure and the individual who is hurt is often very hard to unravel. Even automobile accidents have proven too difficult for law to determine who was at fault, as movements to no-fault insurance demonstrate. But when one moves from simple automobile accidents to an injury from a product, as when a toaster explodes, one needs expert testimony from engineers or designers to learn whether the consumer machine was misused by the owner, or had a defect in its myriad electronic or other complicated parts. This raises another problem. Articulate engineers can be hard to come by. As lawyers can attest from hours spent readying engineers to testify in court, trying to get them to say what they're saying in terms understandable to jurors is *very* expensive work: One is paying not only for the lawyer's time, but also the expert witness's.

When one moves to medical malpractice, the complexity of the accidental event becomes truly awesome. If most machines are complicated, the "machines" we humans walk around in almost defy description. Yet when something does go wrong and health care professionals have to repair our machines—and then something further goes wrong—trying to find out whether the doctor was at fault or whether the patient's condition made the adverse result inevitable entails exceedingly complicated questions. Here too finding a physician witness who is both an expert and a persuasive communicator makes preparing testimony both difficult and expensive.

The result is that finding and demonstrating fault is often an extremely expensive and cumbersome business in the simplest as well as the more complex product liability or medical-malpractice case.

It is of the utmost significance that no other form of insurance pays based on fault. When you die, your life insurance company cannot withhold payment on the grounds that you smoked too much, or ate too many fatty foods. And when your house burns down, your fire-insurance company cannot withhold payment on the grounds you were smoking in bed or left some oily rags under the cellar stairs, despite how much fun lawyers might have litigating those issues. When a woman becomes pregnant, her health insurer doesn't make any inquiries about just whose "fault" it was—though that might also present some rather rich, litigable issues. No, in each instance, the insured event is quite simple: under life insurance, for example, the

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question to be determined is whether the insured *is* dead (one of the few things the medical profession can still do relatively inexpensively).

Who's to blame?

As if all that were not bad enough, there is a second variable in tort law that makes it even more complex. The law starts from the premise that someone guilty of a tort is a wrongdoer, an evil person. At one time, that was a rather accurate perception. Prior to the industrial age, most of them *were* evil people. Before the advent of machines it was very hard to injure someone else without intending to. With machines, however, inadvertent injuries have become the norm. But because tort law started from the premise of a wrongdoer who had wronged an innocent party, the latter was allowed to recover not only for medical expense and wage loss but for the monetary value of pain. It is often difficult enough to ascertain with relative rationality how much wages a person has lost and will lose and what his medical expenses are and will be. What, however, is the monetary value of physical agony? What is an aching back worth? There is no rational answer to that: There is no free market price for aching backs. We can't turn to the financial pages and find a market functioning anywhere that tells us what a scar on the forehead is going for; what the loss of a leg is worth in indignity and denial of pleasure. So what does the law do in these situations? It delegates that question to juries, which are given almost unlicensed discretion to squander or stint on rewards through whim or bias. So females get more for pain and suffering than males for the same injury, and older people get more than younger ones. There is no reason behind this; no evidence that females suffer more than males. Trying to rationalize all this under economic principles is difficult indeed.

Note that in paying for noneconomic loss, tort liability insurance once again is unlike any other form of insurance. When a person dies, a life insurance company does not pay for the surviving spouse's grief, although lawyers, once again, could have a rich time litigating just how much the spouses loved—or hated—each other. No, the face amount of the policy is paid, no more, no less, regardless of love, hate, or indifference. Similarly health insurance doesn't pay a mother for her pain in labor (though pain there surely is); rather, only the reasonable obstetrical expenses are paid. And when a person's house burns down, fire insurance is not payable for the pain of losing a structure built by one's grandfather with his own hands two generations ago. No, only the face amount of the policy is payable.

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Once one understands how wildly complex tort liability insurance is compared to every other form of insurance in having to determine who or what was at fault and what the monetary value of nonmonetary loss should be, one can better understand the real reason why such insurance is so fraught with litigation, delay, and uncertainty. And one can appreciate that quite apart from whether tort liability insurance happens to be readily available at a reasonable price at any given time in the market, the system should nevertheless be changed (though obviously high costs and unavailability highlight the need for change). That is why it is so disappointing to see consumer groups feverishly allying with trial lawyers in defense of this cruel, corrupt, and capricious system. If consumer activists seem to be right in opposing changes that simply make it tougher for the injured to be paid, they also seem wrong in clinging to the system that already makes it much too tough to collect payment for injury.

There is a third variable in tort law that also grew out of the view that the one who causes injury is an evil person, a wrongdoer. When Smith injures Jones and Jones is already covered by health insurance to a very substantial degree (or disability insurance, or life insurance), Smith is not allowed to take account (nor is the judge or jury) of the fact that Jones has already been paid for a good deal of his economic loss. Rather, Smith must pay all over again. So Jones is either paid twice, or a health insurer, which has already borne the loss, pursues a complicated subrogation claim to recoup the amount already covered by insurance. As a result, the tort liability system is unleashed to bear a cost that society has already borne, either through private or social insurance, on the grounds that it would be unthinkable to allow the wrongdoer to benefit by the insurance already covering the loss.

Once again, other forms of insurance for injury or property damage do not pay—or better said, do not overpay—regardless of what other forms of insurance are payable. Rather, health and disability and fire-insurance policies are careful to provide for proration of payment among the applicable insurance policies, precisely to avoid any possibility of overpayment and resultant waste.

And finally, tort law decrees that any form of payment will be made in one lump sum—necessitating a hazardous prediction of further medical bills and the length of wage loss in the future, a guess virtually doomed to be wrong when, as is often the case, medical prognosis is uncertain. Once again, no other form of insurance for continuing losses—health or disability or workers' compensation insurance, for example—decrees such a rigid and unrealistic form of

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payment. Rather they sensibly provide for periodic payment as loss accrues. (Granted that under so-called "structured settlements" the parties to a tort suit can, and often do, agree to periodic payment, but either party can obstruct that sensible arrangement, as often happens.)

The result, as legal academics since the 1930s have pointed out, is a system in which many people, who, through no fault of their own, suffer an injury, are not paid anything because they cannot prove that someone or something else was at fault. Many others are paid a small fraction of their loss because they can't afford to wait for years until the matter is settled through litigation. These are often injured people with mounting medical expenses and wage loss. Thus, they are often pressured into settling their cases with a tremendous discount against the delay that waiting for a trial would entail. Yet even this settlement process is so cumbersome that payment is received only years after the initial injury—for example, the average delay in settling a product liability claim is about two years from the event. Contrast that with how long it takes to get a health insurance claim paid—one month, on the average. Furthermore, when tort claimants finally collect rewards they find that a third, or a half, or even more of the amount has to be spent to cover litigation expenses and counsel fees.

According to my own published estimates, only twenty-eight cents out of the medical malpractice insurance dollar actually goes to the victims of malpractice. The rest goes to insurance overhead and legal fees. For products liability the comparable figure is about thirty-three cents.

The case of workers' compensation

The answer to all this for workplace accidents is workers' compensation. Workers' compensation—a form of no-fault insurance enacted in Germany by Bismarck in the 1880s, then in Britain in the 1890s and in the United States between roughly 1910 and 1920—decrees that when an employee is injured in the course of employment he needn't sue alledging that the employer was at fault and himself free from fault, with all the litigation that entails. Rather, the employee is paid automatically for his medical expenses and part of his wage loss. Typically, the maximum benefit for wage loss is today in the vicinity of $200 or $300 a week—a social insurance level. But that much is assured to the victim, regardless of how the accident happened, regardless if he was at fault, regardless of whether he had on safety goggles, regardless of whether he hadn't used the

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guard on the machine properly, regardless of whether the employer had or had not maintained the machine properly for its use. Because the accident occurred in the course of employment, the loss is payable as an actuarially predictable and inevitable result of the industrial activity. But nothing is paid for pain and suffering. With no litigation over fault or pain and suffering, at a stroke the two litigious issues plaguing tort liability are eliminated. The result is a relatively healthy, functioning insurance mechanism.

With all its problems, workers' compensation has functioned magnificently compared to the tort system. In the switch from tort liability to workers' compensation, society switched from its worst form of insurance for injury to its best. Under no other form of insurance widely applicable across our society are so many victims of misfortune assured of unlimited medical benefits in both duration and time (including rehabilitation) plus wage loss of unlimited duration.

The next great wave of modern accidents came from automobiles. And again, no-fault insurance is seen by many states as the obvious alternative to tort liability for auto accidents. A recent report by the U. S. Department of Transportation confirms how well no-fault auto insurance also works compared to tort liability.

Why not extend no-fault insurance to all kinds of accidents? It's not that simple. If you go into an auto accident in reasonably good shape and come out with a terrible gash on your forehead, or even a leg that has been severed, it's no trick to determine that it was the automobile accident that caused the gash or the amputation. But now assume you go to a health care provider for treatment. The law cannot decree that the health care provider will automatically pay you for any adverse condition becoming evident after the treatment. Why? Because some adverse conditions may be due not to the treatment but to your initial complaint. It may be that no matter what the doctor did you were going to get worse. The result is that separating the adverse conditions possibly due to the treatment from those due to your initial complaint is a most vexing question, even on a no-fault basis.

Thus to mandate that every health care provider be liable for all adverse results occurring after medical service is an unmanageable no-fault criterion that forces any health care provider to face unknowable claims and costs. Similar is the situation for product injuries. Can the law decree that anybody who produced or sold or even possesses a product pay for any injuries to third persons resulting from that product? Assume you go to your neighbor's house: you slip and

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fall and bang your head on his marble table. Who pays on a no-fault basis for your brain damage or paralyzed condition? Does your neighbor pay as a homeowner? Does the Vermont marble quarry pay for it? Does the person who designed the table? Does the retailer? And, if so, in what proportions does each pay once the law has abandoned a fault criterion? It is hard enough, as we have seen, under present law to single out the person who was at fault and make him pay. If the table were defectively designed, then, under present law at least, the person who designed it supposedly can be made to pay (admittedly only after cumbersome litigation). But it is impossible as a practical matter for the law to decree who is going to pay for such a product injury under no-fault insurance.

Neo-no-fault

All this does not mean that society must be left with the tort system, either as it exists or as it would be reformed by the insurance companies and their institutional insureds. The key to workers' compensation and auto no-fault reforms, unlike those being proposed by corporate and professional interests, was a balanced approach. The injured party finds it easier to be paid, but gets paid less. That makes for a fair trade for both sides. If we cannot, today, adopt a complete no-fault system for nonworkplace and nonauto accidents for all the reasons just discussed, at least we can achieve some of the same tradeoffs.

The following criteria should be a start for insurance reform for such accidents: That injured persons be paid promptly for their economic loss without litigating their own or others' fault and without significantly increasing current liability costs; and that costs be controlled—perhaps even lowered—by paying for any increase in new claims with lower litigation expense and lower payments for noneconomic loss.

Under these criteria, the proposals by the insurance industry —or, in early 1986, by the Reagan administration—simply to limit the rights of injured people (by limits on pain and suffering, contingent fees, joint and several liability, etc.) do not pass muster. They leave us in every case with the unmanageable basis for payment that make us want to change the system in the first place—namely being required to determine fault and to pay for pain and suffering (albeit with upper limits). They also do little or nothing about abuses in minor liability cases that lead to padding claims and ambulance chasing. Furthermore, lessening the exposure of defendants to large verdicts gives less incentive to them to offer the substantial settle-

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ments that are made today in serious cases. If a defendant thinks he may have to pay a verdict that includes two million dollars in pain and suffering damages, he is much more likely to settle for a claimant's one million dollars in medical expenses and wage loss, than if he knows pain and suffering damages would be limited to $250,000. Such proposed reforms, then, make it no easier—and often harder—for injured people to be paid promptly for their loss. But at the other end of the spectrum, proposals to obligate defendants to pay any and all claims—or at least an indeterminate number of new ones—on a no-fault basis cannot be guaranteed to avoid significantly increasing current liability costs. Can we really ask doctors paying $100,000 a year or so in medical-malpractice premiums to pay even more under a new untried no-fault insurance scheme?

With these constraints in mind, I propose a new law that tries to meet my criteria for reform and thereby avoids the problems plaguing other reform proposals, namely: (1) litigating fault; (2) litigating, and paying for, the value of pain and suffering; (3) paying for losses already covered by other insurance; (4) paying in lump sum, as opposed to periodically; and (5) facing unknowable new costs from paying on a no-fault basis.

Offers that can't be refused

The bill, which might be termed "neo-no-fault," would propose the following regulations: Any defendant of a personal injury claim is given the option of offering to a claimant within 180 days (relatively prompt payment compared to the tort system) periodic payment of the claimant's net economic loss. That will consist of any medical expense, including rehabilitation and wage loss beyond any health or disability insurance already payable to the claimant. (Also payable is a reasonable hourly fee for the claimant's lawyer.) Note that such benefits are generous compared to most health insurance policies since most health insurance policies have severe upper limits of coverage and few cover rehabilitation. If a defendant in a tort suit will promptly offer to pay these amounts to the claimant, that will foreclose further pursuit of the tort claim. In other words, the claimant is forced to accept such an offer. (Offers could be refused when the defendant had acted intentionally or where the victim's economic losses were minimal, as with an amputation to a white collar profession.)

Note that under this proposal no defendant is *forced* to offer such a settlement, thus avoiding the imposition of unmanageable new burdens on potential defendants. But if that's so, the question

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arises, why *force* claimants to accept such a settlement? After all, today either party can settle—or offer to settle—for economic loss, with no payment for pain and suffering, no duplication of other payable insurance, and no further argument over fault.

In answer to that, the best settlement of most personal injury claims would seem to be, as under workers' compensation or no-fault auto insurance, prompt, sure, periodic payment of the injured person's economic loss, as opposed to the tort system and its mere chance at a long-delayed lump sum, likely to be either greater or less than the real loss. Yet such settlements do not often arise today. Defendants (or their insurers) rarely make early offers as generous as a commitment to cover all of an injury victim's economic loss, past and future, because they fear that making such an offer would only encourage claimants to believe that they can recover even more if they persevere through litigation. Defendants, as a result, often fail to offer prompt settlement for the claimant's net economic loss, even when, at first blush, it might be thought advantageous for them to do so.

Even when defendants make a settlement offer, claimants or their lawyers frequently reject it because they see it as a sign, as defendants rightly fear, that the case is worth much more. So the lottery aspect of the present system spurs on plaintiffs—and especially their attorneys, whose role cannot be underestimated. Constantly tempted by a "big hit," the lawyer has an incentive to take the case to trial, risking the chance of recovering nothing for the opportunity to strike it rich. Plaintiffs' attorneys typically have a number of contingent-fee clients and so are able to spread the risk of poor recovery or none at all. The plaintiff, on the other hand, does not have this "portfolio diversification," and his ability to recover is wrapped up in only one case—his own.

For these and other reasons on the plaintiff's side as well, there is reluctance to initiate (or respond to) settlement for simply net economic loss. The plaintiff also fears sending a signal of weakness to the opposing party by such an offer of settlement.

How, then, to get around this mutual intransigence on both sides that is encouraged by the vague and amorphous criteria of tort liability? Once again, one cannot eliminate the intransigence by passing a no-fault statute applicable to all injuries and requiring both sides to dispose of the case by prompt payment of economic loss, for fear of unknowable numbers of new claims. Nor, as we have also seen, can one accurately define the insured event very well in advance for many medical or product injuries. One also cannot force a defen-

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dant to pay any claim made against him by a claimant, because that way any claimant could file suit against almost anyone and procure payment. But it is *not* unworkable to provide that once a defendant has had time to examine a claim, he will be allowed to require the claimant to accept payment of net economic losses in total satisfaction of the claim.

When will a defendant be inclined to do so? If the defendant, after examining the claim, decides that the claimant never was in its hospital or wasn't using its product, the defendant will not tender net economic loss, not only because defending and defeating the claim in court will be easy but because it is important for moral reasons to deny the claim. It's also important for the defendant to avoid a reputation for being an easy target for spurious or marginal claims. On the other hand, assume a claim that the defendant thinks it might be able to defeat—but that *is* a claim for an adverse result clearly occurring as a result of a stay in the defendant's hospital or from use of the defendant's product. Although the defendant may not believe the accident was his fault, he will ask himself what it would cost to pay the claimant periodically for his medical expense and wage loss. If that sum turns out to be less than what the defendant would have to pay on defense lawyer's fees plus tort damages, including pain and suffering, the defendant might believe he has found a good trade. Indeed, what the defendant spends solely in lawyers' fees is often more than the cost of paying the claimant's net economic loss. What practical impact, then, would the proposal urged here have? One leading defense lawyer hypothesized in 1986 that of the two hundred and fifty cases his office was then defending, all in various stages of litigation, he would have advised making the offer to pay claimants' net economic losses, were the proposed bill in force, in two hundred of them.

The promise of prompt payment

What about claimants? Would they be disadvantaged by losing the opportunity for a large payment for noneconomic losses? The answer is that most claimants are already unhappy with the slugfest tort law has allowed. Few persons who have been seriously injured have any taste for the lottery-like system that now determines whether their medical expenses and wage losses will be paid. Few care for the bitter fight constantly reminding them of the accident, even to the point of their being challenged by the defendant's lawyer —often with snide suggestions that one should be viewed by the jury as a liar or a cheat. All this may be taken for granted by law-

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yers, who do it all the time, but the people they represent hate it. Given the choice between a system that encourages prompt payment of real losses versus one that encourages gambling for long-delayed, only possible payment of more, many will find the certainty of prompt payment more attractive.

Prompt payment without litigation over who and what was at fault also has the benign effect of lessening the psychic shock, strain, and subsequent traumatic neurosis often suffered by accident victims, as indicated by research conducted by Dr. Lester Keiser, chief of neuropsychiatry at Memorial Hospital in Hollywood, Florida. According to a report on Keiser's research, "under the old automobile insurance system, with its frequent and lengthy lawsuits, the nervous strain experienced by an accident victim is often intensified in the ensuing wrangles with claim adjustors and lawyers." Some individuals become "so absorbed in nursing their symptoms and pressing their claims that they completely alter their lives." According to Keiser, no-fault insurance, enacted in his home state of Florida, obviously does not eliminate the inevitable emotional stress that follows an accident. But what it does, he says, "is eliminate many of the conditions that make such a trauma worse."

Thus, the proposal here simply makes it easier to the maximum extent feasible for injured persons to be paid promptly for their economic losses, without litigating their own or others' fault and without significantly increasing current liability costs (by not forcing defendants to pay an unknowable number of new claimants). It holds the line on—and perhaps even lowers—costs by assuring that the expense of any increase in new claims can be met by lower litigation expenses and lower payments for noneconomic loss.

Trial lawyers and others may criticize the proposal on the ground that it removes the deterrent effect of findings of fault and payment damages for pain and suffering. There are several answers to that. First, the tort system is often arbitrary and capricious. It in fact imposes losses in such a way as to discourage rational deterrent behavior by potential defendants—whatever punishment is imposed by tort law is heavily diluted, if not obliterated, by its being borne not by the supposedly guilty defendant but by all those who pay for similar insurance coverage. Finally, under this proposal, it is only by offering to pay a victim's economic losses in perpetuity—a not insufficient commitment in itself—that a tort claim is foreclosed. Defendants are by no means escaping "scot-free" under this plan.

A version of the neo-no-fault proposal applicable to medical malpractice has gone before the Congress, introduced by Represen-

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tative Richard Gephardt and others. Another version has been introduced before the Massachusetts legislature by Governor Michael Dukakis, an early supporter of no-fault auto insurance. An added attempt to apply the idea to products liability has been sponsored in federal legislation by Senator John Danforth.

Professor Patrick Atiyah of Oxford University has nicely summed up the case for the types of reforms being urged here: "Given the huge administrative costs of the tort system, and the extraordinary generosity of pain and suffering awards, it must be recognized that every expansion of tort law uses resources totally out of proportion to the numbers assisted by that expansion." Atiyah hypothesizes that if society could greatly lessen expenses for lawyers "and if we were willing to contemplate the elimination of compensation for pain and suffering, we could thus probably compensate, without additional costs, *four* accident victims for every *one* compensated today. If we were willing to include ceilings and thresholds [on payment] as well, there is no doubt that we could quite easily afford to compensate a significant proportion of the pecuniary losses suffered by perhaps six or seven or eight accident victims for every one protected by the tort system. . . . I will venture the prophecy that in fifty years time people will look back with some horror on tort law as a means of compensation which survived too long."

In sum, neither the Reagan administration nor the insurance industry on the right, nor the trial lawyers and Ralph Nader on the left have the answer. Rather than just restricting injury victims' tort rights or letting some of them thrive in fortuitous and increasingly unmanageable circumstances, the neo-no-fault proposal described here uses tort law's bulk and weight to protect both claimants and defendants against its crushing effects.

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Fifty Years of Keynes

MELVILLE J. ULMER

LAST YEAR, almost unnoticed, was the fiftieth anniversary of one of the two or three most influential books ever written in economics. This is the masterwork of John Maynard Keynes, *The General Theory of Employment, Interest, and Money*. It is probably the fate of its controversial status—the political passions with which the book was first supported and later spurned—that the date was unattended. Contributing, too, were revelations since his death of a surprisingly unconventional side of Keynes's personal life, to which we return later. But of course, it is his intellectual legacy that may influence the Free World's economic policies, for good or ill, and concerning that there is a sharp difference of opinion. The most popular impression in the United States and elsewhere seems to be that we would all be better off if it were promptly forgotten. Yet an excellent case can be made that Keynesian economics was done in not by its own limitations, but by the extravagant simplifications and hyperbolic aspirations of its most ardent followers after the author's demise. Exaggerations and distortions aside, it is still unrivaled in the twentieth century as the most seminal contribution in its field.

A satisfactory evaluation of the *General Theory* today is hampered by the inevitable intrusion of partisan politics. The grand initial reception accorded the book was linked with the fervor of social reform rooted in the 1930s. Its acclaim was practically unrestrained in the liberal communities of academe, the media, and parts of the Democratic party. Following World War II, its teaching governed economic policies throughout most of the western world until the end of the 1970s. By then its sheen had tarnished and in subsequent years virtually collapsed. But many conservatives and centrists, in and outside the economics profession, were skeptical from the beginning.

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To complicate matters, Keynes was not at the top of his expository form in the *General Theory*. Even after a second reading most of his colleagues found the book obscure. Its author was awkwardly self-conscious, too preoccupied with establishing the path-breaking novelty of his contribution. The book rambled, crammed with technical side issues and unfamiliar assumptions later qualified. It digressed with unseemly zeal in exposing the errors of earlier writers, the more renowned the better. For the next ten years it is probably fair to say that the great majority of the profession remained unconverted. The initial enthusiasm, which later spread, was confined to the generally liberal or leftist younger crop.

PERHAPS most important for the theory's future were the relatively unseasoned janissaries of the new movement concentrated in America's Ivy League, especially the sparkling Paul Samuelson and his protege, Lawrence Klein, now both Nobel laureates. The latter is particularly notable because, almost before the ink was dry on the *General Theory*, he produced a slender volume entitled *The Keynesian Revolution*. It contained a mathematical translation of Keynes's work along with a corresponding model of Marx's *Das Kapital*, in which he found some gratifying affinities. Here was a novel display of mathematical virtuosity that erected the pedestal for his Nobel prize, and yet, inadvertently, it is possible that it did more damage to the subsequent fate of the *General Theory* than all of the Old Guard's right-wing opposition.

For while mathematical expression almost always sharpens ideas, in economics at least it nearly always distorts. Inescapably it overlooks the dynamics of volatile expectations, technological innovations, and the sensitive interconnections entwining all branches of a great, highly developed economy. In short, Klein had substituted an artificially neat and distinct portrait of the economic world for an infinitely complicated, sporadically irregular and involuted reality. Keynes's objective was a pragmatic analysis of observable economic behavior. Klein's version was a caricature, a skeleton of the theory without its meat. Nevertheless, Klein's creation was marketable for the same fundamental reason as was Charles Lamb's *Tales From Shakespeare*. It had reduced the intricacy of a free business system to just two functions: aggregate demand and aggregate supply. By manipulating aggregate demand, it supposed, government could install and perpetuate the nirvana of full employment.

The reaction of the textbook writers was instantaneous. Klein's mathematics was ingeniously transformed into graphic illustrations,

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which became standard fare in the education of university students. Samuelson's famous *Economics* (1st ed. 1947) was the flagship for the flood of almost equally successful imitations that followed. More ominously, it was this grotesquely abbreviated version of the *General Theory*, so enshrined, that became the intellectual apparatus of the economists, who by the end of the 1950s were entrusted with guiding the economic destiny of nations. The fruit of that assignment appeared in the stop-go economy that achieved the epitome of its failure in the sagging recessions, sickly productivity, screeching inflation, and the stifling taxes of the 1970s.

An early forewarning of the danger came from Arthur F. Burns, then-director of the National Bureau of Economic Research, later adviser to Presidents Eisenhower and Nixon, and chairman of the Federal Reserve Board. In a series of NBER annual reports he questioned the theory's preoccupation with static "equilibria" in which relationships like that between income and consumer spending were held perfectly and unrealistically constant over time, as they were indeed in the popular standard version. A dramatic confirmation of Burns's concern appeared shortly before the end of World War II when Klein constructed the first econometric model of the presumably "Keynesian" image of the American economy. On that foundation he predicted fifteen million unemployed when the war ended and urged grandiose preparations to meet the crisis. His error was to hold the consumption-income relationship constant as he had measured it from the past, i.e., at its prewar level. In the event, with the pent-up demand of the war years and the vast reservoir of idle savings, consumption leaped up madly and quite independently of current incomes, sparking a boom that lasted more than three years beyond the war's end. Not only Burns, but also relatively unsophisticated businessmen would have predicted that, and did. No doubt Keynes would have warned Klein against it, had he lived a bit longer.

BUT such criticisms, based on experience or logic, were brushed aside as quiddities by the early followers and by an increasing proportion of others.[1] Many were fired by the vision of government's power—to uplift the welfare of mankind, to displace profit-seeking with central planning—a potential they were eager to extend beyond the master's central aim of moderating the swings of overall

[1] This was a reaction I had occasion to perceive in Klein and associates at a meeting of the Econometric Society in 1949. I had disturbed the unanimity of the proceedings by presenting a statistical estimate of the impact of cyclical fluctuations in variables like household inventories, personal savings, and the price level *not* included in their favorite Keynesian model.

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business activity. This spirit was foreshadowed by one of Keynes's earliest American supporters, Harvard's distinguished Alvin Hansen, who wrote: "Keynes, more than any other economist of our time, has helped to rescue economics from the negative position to which it had fallen. . . . It has at last developed a mixed public-private economy committed to the welfare state and full employment. The government is firmly in the driver's seat." This was but a half step to the dreams of "fine-tuning" business activity and egalitarianism of the ultra liberals who were swiftly magnetized to the "Keynesian" banner.[2]

Even so, by the end of the 1950s nearly all economists, regardless of political bias, were won over at least in some degree to Keynes for a more professionally fundamental reason. He had opened up a new vista for economic analysis called *aggregative* or *macroeconomics*. It was this *technical* contribution, not the associated public policies which he so adamantly opposed, that led even Milton Friedman to paraphrase Richard Nixon by asking, "Aren't we all Keynesians now?"

For prior to the *General Theory*, the work of economists was centered upon what is now called *micro*economics, elaborated through the years to ever more sophisticated levels. It began and ended with analysis of the basic units of economic decision-making—the firm, the worker, the consumer, the landowner or holder of other productive assets. The object was to discover how each one, in open competition, would maximize its profits or "utility," and then how the freely determined demands and supplies would allocate resources to maximize a nation's welfare. One practical inference was that the system would lead inexorably to full employment of all resources, a proposition known since the early nineteenth century as Say's Law. Keynes accepted the bulk of this analysis, with the exception of Say's Law, and then went beyond it.

He was not the first to break from this confined pattern, having been preceded by students of the business cycle. But he was the first to reason strictly and systematically in terms of observable national aggregates like consumption, saving, investment and the money supply—the hallmark of macroeconomics. Furthermore, his framework retained one professionally attractive element of traditional thought: the concept of equilibrium, which Keynes took not so much as a position of rest as a point of distinctly temporary balance. In the Keynesian system an equilibrium was reached in the economy

[2] See my "The War of the Liberal Economists" and "Our Egalitarian Economists," *Commentary*, October 1983 and September 1982 respectively.

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as a whole when the spending proclivities of consumers, of business investors, and of federal, state, and local governments were just sufficient to absorb the goods and services that business found it profitable to supply. That point of balance would determine, for the time being, the magnitude of the national income.

SO MUCH was entirely new though not too disturbing for his intellectual forebears. More startling was his showing that an equilibrium could be achieved at *any* level of activity, including not only full employment but that devastatingly low point of economic misery reached in 1932 and 1933. With this, Keynes repealed Say's Law. Still more shattering to the conventional wisdom was the proposition to which this analysis led: that reasonable stability in modern society's production and employment was impossible without deliberate intervention by the state. The last was not as revolutionary as advertised. In the past, Keynes observed, government had always intervened, but with spending, tax, and monetary policies that were haphazard, bumbling, and usually counterproductive. His proposal was to attune these policies purposefully to prevailing economic conditions as required.

The support Keynes mobilized for these propositions contains his most fundamental contributions: his theories of the rate of interest, saving, investment, and consumption, together with his application of what has since been called the "multiplier." In the earlier "classical" view, capitalism was blessed with automatic stabilizers, the most important of which was the rate of interest. Conceived as a "reward for saving," the interest rate was supposed to keep a nation's output at a full-employment equilibrium by balancing consumption and investment. If investment declined, for whatever reason, the interest rate would fall. But then consumers would save less because of the meager reward, and spend more. That would take up the slack in the national income left by the investment reduction. Correspondingly, if investment rose, yielding a higher interest rate, consumers would save more and spend less. Thus *total* output and employment would remain at their ideal maximum positions.

Nor was that all. To perfect the system, classicists had assumed perfectly flexible wages, perfect mobility of resources, perfect foresight, or in the shorthand of economists, perfect competition. In this imaginary world idle people, factories, or savings were an impossibility. The only condition was that government officials would refrain from intruding, no more likely than that bees would never sting.

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In Keynes's new theory, the older automatic guardians of full employment were transformed into the fundamental sources of instability. Chief among these was the relationship linking investment, the interest rate, and consumer spending. From his post as British Treasury adviser he had witnessed at close hand the alternate spells of optimism in which business built factories, machinery, and housing in feverish zeal, only to be followed by doldrums in which prospects for profits appeared nowhere.

Such swings in business outlook convulsed the entire economy through what Keynes had called the multiplier effect. A splurge of investment would generate new returns for workers, manufacturers, and then retailers, inviting a spreading wave of spending. Further investment would follow with a spiraling stock market and a heady ebullience that perceives beckoning wealth at every point on the business horizon. High and vaulting interest rates would be brushed aside in the headlong scramble for goods and investments. With rising incomes, all spend more. Also, with falling incomes, all spend less, an event that looms sooner or later as inevitable excesses appear —in productive capacity, debt, and expected profits—and all indicators plunge.

AT THIS point, in the subsequent doldrums, Keynes introduces his famous portrait of an underemployment equilibrium. In the heavy gloom of declining profits and spreading losses, even the lowest possible rate of interest is unable to induce an advance. Nor are rock bottom wage rates, if unions grant them, able to relieve widespread unemployment. Neither one can inspire business to invest if their orders are almost nil, their factories nearly empty, and consumers unwilling or unable to buy. In that environment the "automatic stabilizers" are as futile as a child's sailboat in a hurricane. The key to the difference is the new theory's vision of the interest rate not simply as a "reward for saving" but as "the price paid for the use of money," the demand for which is a pawn for volatile business expectations. In severe downturns even a Paul Volcker would be unable to produce a money supply with any hope for betterment. This consideration led Keynes to turn to the federal government as a stabilizer, with its power to spend and to tax. It could, in the more exuberant interpretations, govern business activity by altering its expenditures and raising or lowering tax rates.

But the word "govern" is too strong if it is meant to convey something closer to "strictly control" rather than to "powerfully influence." It was his ebullient epigones who, in overflowing confi-

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dence, popularized the phrase "fine-tuning,"[3] otherwise simplified his teaching, and added their own political ideals to an enlarged agenda for government. Keynes's own aspirations were more modest. In separate chapters on prices and on business cycles he made known his alertness to the obstacles of imperfect forecasting and persistent inflation that were later to upset the stabilization efforts of such strictly "Keynesian" presidential advisers as Walter Heller, Arthur Okun, James Tobin and Otto Eckstein. His own objective was not the utopian dream of "making business cycles obsolete," as some of the aforementioned had affirmed, but to avoid the worst —the periodic disasters of deep cumulative downswings that the plunge from 1929 to 1933 so spectacularly represented.

Nor did Keynes favor deficit spending *per se*, as some popular commentators have averred. A responsible fiscal policy, he expected, would roughly balance the deficits incurred when economic activity was weak with the surpluses properly forthcoming when it was strong. He would, he wrote, use fiscal and monetary policy to maintain full employment "as nearly as practicable," and then welcome "classical theory" to come "into its own from this point onwards." By classical theory he meant unfettered private enterprise. He took note of the poor but observed that prosperity was the most reliable prerequisite for their improvement.

In short, Keynes was no social engineer in the modern sense of that term. He characterized his own program as "moderately conservative." Indeed, he rejected the British Labour party for its "class character," its appeal to emotion in place of reason, and its stirring of "widespread passions and jealousies" against those who have wealth and power. Concerning Karl Marx, he wondered "how a doctrine so illogical and so dull can have exercised so powerful and enduring an influence over the minds of men, and, through them, the events of history." To critics of his work on his right (like Al Smith's Liberty Leaguers), he rejoined: "Here is an attempt to use what we have learnt from experience and modern analysis, not to defeat but to implement the wisdom of Adam Smith."[4]

KEYNES'S teaching bears a paramount promise as well as an admonition. The promise is now the firm conviction today, of professional economists and laymen alike, that another great

[3] Invention of the phrase was attributed to Walter Heller who later said that he regretted it.

[4] "The Balance of Payments of the United States," *Economic Journal*, June 1946, p. 186, published posthumously. All other quotations of Keynes in this article are from his *General Theory*.

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depression is no more likely than a return of the bubonic plague. For he demonstrated *why* the acts of the world's public authorities in 1930 and 1931 were self-defeating, why they converted what might have been a brief recession into the disaster that actually followed. In one country after another they sought desperately to cut the government deficits that arise naturally once a downturn is underway, especially by reducing public outlays. They kept taxes firm or in some instances tried to raise them. They restrained the money supply. They erected barriers to international trade in fruitless, self-defeating efforts to maintain employment. In retrospect, under the circumstances, each one of these policies intensified the contraction they were frantically trying to avoid. Each one, under very different circumstances, is in progress today. The most urgent admonition of Keynes is that all such lines of action be promptly abandoned or reversed on arrival of the next recession, or in some instances sooner. Fortunately, for the present generation, despite political crosscurrents, this too has become the conventional wisdom.

Over time, the popular reputation of John Maynard Keynes assumed two guises, perhaps each in its own era overdrawn: first, as glorious beacon for repairing democratic capitalism's most baleful weakness, second as Pied Piper of grand illusions. Curiously, his personality also appears in two disparate parts, though mostly coterminous: The flamboyantly attired *bon vivant* and promiscuous homosexual in Bohemian circles contrasting with the staid, immaculately grey-suited member of his nation's highest financial tribunals. The details of this personality split, at least during the first half of his life, are documented with care by economic historian Robert Skidelsky,[5] but so too is a more historically important aspect of the man. From his earliest days he bore the indelible earmarks of genius, worked conscientiously and without respite to exercise his talents, and seized as his primary objective the betterment of humanity. True, what he taught was often abused by others and then oversold. But it would be a grievous setback now if his contributions were underestimated and undersold.

[5] *John Maynard Keynes: Hopes Betrayed 1883-1920*, 1986, the first of a projected two-volume biography.

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The ideology of entitlements

ALVIN L. SCHORR

TAKEN at its broadest, the conservative movement sweeping the western world seems deeply idelological—against the welfare state, against government interference, and in particular, against government ownership, management, and regulation. Many of the detailed measures that governments take, however, cannot be explained by such principles and, indeed, often run counter to them. Even deeper ideologies may come into play. Accident seems to account for much, especially accidents of historical development and momentary political advantage. "There are times," a not-to-be-named university president once said, "when you have to rise above principle."

The development of health care systems is an example. I will use the case of Israel, but observe in passing that it was not foreordained that the American medical profession, prideful about its autonomy, should oppose national health insurance, Medicare, and all the rest. On the contrary, early in the century the American Medical Association and State Medical Societies *favored* proposals for national health insurance. Ideological reasons for opposition were not immediately evident, but in time physicians were persuaded by hospitals and the fledgling insurance industry that such plans were against their interests. In Great Britain, the strongest advocates of the changes that led to the National Health Service were the voluntary hospitals and the British Medical Association. Not much ideological opposition there! Rather, British medicine was led by the hope that a reorganized system would justify additional government investment and so provide an opportunity to take advantage of medical frontiers that were, at the close of World War II, just opening up.

THE development of Israel's health care system has been concisely described by Abraham Doron. In Palestine in 1912, well before Israel was to attain statehood, a trade union of Jewish agricultural

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workers established a mutual-help health service. That small group, 150 members strong, was to grow into a national system of health care largely administered by Israel's General Federation of Labor (Histadrut). Again and again over the years, Histadrut and other Jewish authorities asked the British government, which was administering Palestine as a mandate, to provide a subsidy to these funds for sick people (Kupat Holim). British authorities regularly declined, explaining that the cost would be excessive or that subsidy of essentially Jewish services would discriminate against the Arab population. Thus, out of extensive voluntary activity and British rejection of a government role, in 1948 the State of Israel found itself with a well-established system of health services—trade-union controlled.

Israel's Prime Minister at the time, David Ben Gurion, was at work constructing a government. It is reported that Histadrut resisted establishment of a social security system, arguing that the union would perform the relevant functions. Ben Gurion prevailed but, as his biographer later recorded, although he had won that one with Histadrut, he failed to win with respect to health services—and regretted it. Israel has a Ministry of Health, of course, but the major health service delivery system remains with Histadrut's Kupat Holim (and several smaller ones). Union dues include a payment for Kupat Holim; one cannot readily drop out of the union and retain coverage. It seems well understood that Kupat Holim coverage is now a major reason for union membership.

Consumers have generally appeared to be satisfied with the Kupat Holim, which operate roughly like American health maintenance organizations (HMOs). Lately, however, there has been some grumbling. Very long waits in waiting rooms are characteristic. Members average three or four times as many doctor visits a year as in a typical HMO in the United States or the British National Health Service. Multiple visits are not in themselves grounds for consumer complaint, but appear to be related to the fact that less gets done in each visit—which does raise questions. Care may be episodic and poorly integrated, especially for common illnesses and preventive care. Finally, because the government has been sharply cutting subsidies to the system, the cost of care to individuals is rising rapidly. (Except for multiple visits, all of these difficulties are of course familiar in the United States.)

Two groups have long opposed the present system and, in the light of current difficulties, give signs of renewing their pressure for change. One is the organized physicians, who have periodically complained of poor treatment by their consumer-oriented manage-

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ment. Over time, they have won gains in salary and working conditions, but the issue of who is in charge remains. Again and again, organized physicians have pressed for transfer of management to the government where, they suppose, physician managers would be placed in charge. The other group of critics is the conservative (perhaps more exactly, anti-Labor Party) elements of Israel's coalition government—the Likud Party and its allies—which now lead the government. The Likud has long sought to separate Histadrut from management of various industrial enterprises and of its Kupat Holim. Therefore, the Likud, too, would welcome a government health care system.

So it is that, for discernible reasons of political or other factional advantage, the proponents of government medicine in Israel are conservatives and organized physicians. The Labor Party, its socialist heritage notwithstanding, supports the current quasi-private system.

ANOTHER illustration of dissonance with respect to reducing the role of government management may be found in recent social security developments in Great Britain. In general, European social security consists of two tiers—a uniform payment for everyone, which prevents or moderates poverty, and an additional payment based on prior earnings. The earnings-related benefit rewards people for having made higher contributions while they were working, and helps them to maintain what was a presumably higher standard of living. Some countries began their systems with an earnings-related benefit and later provided a uniform payment as a floor. Following the recommendations of Lord Beveridge, Britain began with a pension or uniform payment for all and subsequently added the earnings-related benefit.

By the late 1950s, Britons were widely dissatisfied with the level of retirement income provided by the pension. Devoted Socialists and egalitarians such as Richard M. Titmuss and Richard H. S. Crossman thought it unfair to leave everyone living on minimum retirement income and, though it may be thought a conservative idea, proposed to provide higher retirement benefits for those who had earned more. The Conservative government of Harold Macmillan produced a somewhat different scheme in response. In 1975, however, a Labor government arrived at an accommodation with the pension industry, Conservatives acquiesced, and Parliament enacted a so-called State Earnings Related Pension Scheme (SERPS).

Ten years later, in June 1985, the Thatcher government presented Parliament with a Green Paper, "Reform of Social Security," intended to lay the basis for a sweeping reform of social security.

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Among other changes, SERPS would gradually be phased out and replaced by a privatized system—employer-provided pensions and other private arrangements. Norman Fowler, the social services secretary, explained that the projected cost of SERPS was far too high, and in any case revenue was needed to assist young families with children. For conservatives, privatization is of course ideologically pure. Moreover, means-tested programs were to be reformed and in some measure to be substituted for entitlements such as SERPS. The moral basis for giving to people who meet a means test is more evident, the Conservative government argued, and such benefits are more efficient.

Fowler invited public comment, which turned out to be overwhelmingly critical. Despite the implicit offer of a trade off, antipoverty and pro-family advocates such as the Child Poverty Action Group opposed the proposals. Perhaps they did not in any case trust the government to deliver better family benefits. Certainly more unanticipated, the Confederation of British Industry published a "hostile" report and—a gratuitous blow—the Association of British Insurance Companies opposed the change. One might have thought that insurance companies would stand to benefit, but they argued that their business requires stability in what people may expect. In any case, they thought the potential for increased business small. The government yielded on wiping out SERPS but, possibly adopting a longer-range, more subtle strategy, proposed to provide tax incentives for employer-provided pension plans. Changes in the House of Lords considerably reduced the impact of this last provision.

So it is that a program in which the ideology might be said to have been mixed—that is, favoring those with more income yet also an entitlement program—was proposed by Labor and enacted with Conservative consent. When a Conservative government planned to wipe it out—in order to save government money, to press forward with privatization, and to increase the role of means-testing—it was defeated by British industry (not to mention Labor and the rest of the country). Well, not wholly defeated, for in the course of the fray modifications were made in SERPS that would eventually save substantial sums. From beginning to end, one could not have predicted on an ideological basis alone, or even chiefly, who would do what.

We may note a considerable parallel to the Reagan administration's encounters with social security—a frontal attack on the social security program in the interests of fiscal prudence and of privatization, a retreat in the face of political reality, and a year-long

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bipartisan negotiation in 1982 in the shape of the National Commission on Social Security Reform. Its recommendations, quickly enacted by Congress, left the basic structure of social security unchanged but modified the program in a number of ways that would substantially reduce government costs.

What might be learned from such cases as these, apart from the fact that ideology quite often yields to circumstance? One might learn that broad entitlement programs create coalitions of beneficiaries that tend to maintain program stability. Thus, the preference of conservatives for means-tested programs tends to produce, whether or not it is their intention, a type of programming for the poor that is readily vulnerable to cutbacks. Another lesson is, perhaps, that well-administered programs tend to be stable. Is that self-evident? It is when administration deteriorates—sometimes because it is made to deteriorate by reduced funding, if not by hostile oversight—that programs draw criticism and invite restructuring. All this can be arranged by a patient and sophisticated government; let citizens be wary.

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CURRENT READING

The Hazards of Pornography

One consequence of the release of the Tower Commission report is that the most recent best-seller from the Government Printing Office, the Report of the Attorney General's Commission on Pornography, has been quickly forgotten, its contents destined to be studied only by future historians and sociologists. Fortunately, the Bureau of National Affairs in Washington, D.C., had the prescience to uncover some of the Commission's less celebrated findings before the 1,960-page report was relegated to the dustbins.

One such discovery is that the pornography business remains a virtually unregulated industry—a finding that many in Washington are likely to find more shocking than the better known explicit passages of the report. "Unlike more conventional business and industries," reads the report, "profits from obscene materials go largely untaxed and their employees often suffer varying degrees of mental and physical injury. Seldom, if ever, do employers maintain insurance, pay benefits or provide pension plans to performers or others who work for them."

The commission calls for the enforcement of these laws in addition to having the Department of Justice study "the extent to which producers of sexually explicit photographs, films, and video tapes are acting in violation of federal civil rights laws and in particular of Title VII of the Civil Rights Act of 1964."

The eleven-member panel of the Commission also found that "women and men are normally paid different rates in the industry for the same sex acts," a situation, their report seems to suggest, that cries out for some kind of "comparable worth" legislation. Yet even for males in the pornography industry, salary conditions are far from ideal. Even though they may be paid on an average of $250 a day, payment is based on the number and type of sex acts performed. "Fringe benefits such as medical insurance are unknown," the report adds.

Work schedules in the pornography industry can be demanding, it seems. Performers must put in twelve to fourteen hour days during which they are expected to engage in at least two sex scenes, the panel learned. Nor is life in sex films a glamorous one. The commission cites one anguished testimony:

> You have to be able to completely divorce yourself from your surrounding and be able to function in any situation. For example, if you're working on location for a film shoot and staying at a motel for seven days, you

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have to cope with being in unfamiliar surroundings, getting irregular sleep and living on McDonald's and Kentucky Fried Chicken, and still be able to perform sexually no matter what else is on your mind.

Unfortunately, such physical and emotional investment in work may be in vain since career prospects are few for those in the sex industry. As the commission reports: "Just as sex modeling appears to offer few opportunities for creative expression, so too it seems to allow only sparse chances for long-term employment and remuneration."

But if stressful work and a dim future weren't enough, the report also observes that actors in sex films "face health hazards of forbidding intensity" and "the odds of contracting sexually transmitted diseases are very high." Of course, a rumor that an actor has a sexually transmitted disease could ruin his career in the industry. Yet as the panel coyly observes, "such a rumor will often fail to spread before the disease has."

The Age of Conservatism

Just how conservative are American voters? As the 1988 elections approach, both Democrats and Republicans are trying to determine whether the popularity of Ronald Reagan was just a temporary phase in American political life or a sign of genuine change in American attitudes, values, and politics. Data from the National Opinion Research Center suggest that there has indeed been a change: Although there have been some fluctuations since 1975, their annual surveys indicate that American public opinion has moved decidedly to the right.

Thomas Exter and Fredrick Barber, in the November 1986 issue of *American Demographics*, have analyzed the results from the General Social Survey, a NORC study that annually poses a series of identical questions on economic and social issues to a representative sample of Americans. By examining the responses of various age groups in 1975 and then again in 1985, they were able to see not only what direction the population was moving politically, but also what happens to the attitudes and opinions of the members of a particular age group as they grow older.

To some extent, their findings confirm exactly what one might suspect: People become more conservative as they advance in years. For example, although the proportion of conservative opinion about welfare spending remained constant from 1975 to 1985 in the 20-29 and 30-39 age groups, the cohort of 20-29-year-olds had grown more conservative a decade later. In 1975 forty-one percent of the 20-to-29-year-olds thought there was too much welfare spending. Whereas 48 percent of the 30-to-39-year-olds thought so in 1985. Indeed, in 1985, the group of people aged 30-39—America's baby boomers—had become more conservative than they had been in their twenties on a number of different issues: capital punishment,

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the leniency of the courts, welfare, gun control, pornography, spending on blacks, and urban policy.

This shift to the right was not so clear-cut in other age groups, however. As people grew from their thirties to their forties by 1985, they were more liberal on foreign aid, crime expenditure, defense, the environment, and education.

A similar tendency could be seen among people in their fifties and sixties in 1985. These groups were more liberal on foreign aid and education, but more conservative on pornography and capital punishment.

Capital punishment, it seems, along with the leniency of the courts toward criminals and school prayer have attracted the greatest amount of conservative opinion over the ten-year period. In every age group, opinion on these subjects has become more conservative since 1975—and the increase has been particularly significant among those who favor school prayer and capital punishment.

The one area where liberal opinion has survived—in fact, become stronger—is foreign aid. With the exception of the 40-to-49-year-old age group, every group contained a smaller amount of people in 1985 who thought that the amount spent on foreign aid was excessive. This exception to an otherwise generally conservative trend is particularly noticeable among 20-to-29-year-olds who are more conservative in 1985 on every other spending issue, believing that too much is spent on welfare, blacks, cities, and the environment, and not enough on defense and space programs. The success of conservative opinion among young people is most striking when the respondents were asked to identify themselves as "extremely liberal," "slightly liberal," "liberal," "extremely conservative," "slightly conservative," "conservative," or "moderate." In 1975, only 19 percent of the 20-to-29-year-olds described themselves as "conservative" of any shade. Ten years later, 30 percent of the same age group placed themselves in the conservative camp. Overall, self-described liberals dropped from 30 percent in 1975 to 25 percent in 1985, while self-described conservatives increased in number from 30 to 36 percent.

These figures make it clear that in the ten years from 1975, conservative attitudes have indeed been strengthened. Nonetheless, the ability of certain liberal attitudes to remain strong, often alongside conservative positions, should tell us that any obituary for liberalism would be premature.

Bringing Up Baby

One of the most arresting developments among poor Americans has been the "feminization of poverty." As Blanche Bernstein points out in her Twentieth Century Fund Paper, *Saving a Generation*, the dramatic rise in female-headed households presents the country with problems that challenge our traditional understanding of how to alleviate poverty.

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The starting point for Bernstein's analysis is a survey of the changing family structure over the past forty years. She finds an alarming increase in the poverty rate among families with children under eighteen: after declining for ten years in a row starting in 1959, the poverty rate for these families started rising in 1969. They now account for 65.1 percent of all the poor, including over 14 million children and the 7.8 million adults with whom they live. The driving force behind this trend, according to Bernstein, is the increasing number of female-headed households with young children, which have more than five times the poverty rate of two-parent households. The poverty in this group, moreover, is most acute and persistent among those families headed by a teenager or a mother who was a teenager when she had her first child. The staggering prominence of this group among the poor is evident by the fact that it accounts for more than half the total of AFDC expenditures in the U.S.

The difficulty in helping these teenage mothers and their children is that while the need for a proper response is obvious, it's also profoundly problematic. As Bernstein writes, "We must consider ways to influence social behavior to reinforce values that lead to a more stable family life, to a better educated society, and to greater individual discipline."

The principal behavior we want to influence, according to Bernstein, is the teenager's attitude toward pregnancy. The primary charge of such a mission must be to prevent the teenager's *first* pregnancy, the one that initiates the problems for the teenage mother and her nascent family. Although Bernstein agrees that the problematic nature of such a campaign means experimenting with different strategies, she emphasizes that the basic message must always be clear and prominent: teenagers must accept the maxim that they "ought not to be having sex at a young age." The obvious problem, of course, is making sure that this advice elicits more than snickers from its sexually precocious audience.

In approaching this challenge, Bernstein argues for a deeper understanding of the family background of these teenagers. Many of them were themselves children of single teenage mothers. They grew up with mothers who were poorly prepared to instill traditional values in their children. Part of the solution is building up the confidence and character of these young mothers by finding them a suitable job. The idea is not only to wean these mothers away from welfare, but also to have *working* mothers serve as good and inspiring role models for their children. In preparing mothers for these opportunities, Bernstein notes that the government can do much in terms of providing them with badly needed services—like proper child care for working mothers and assistance in returning to high school.

But what has been missing most from our efforts to break the cycle of dependency and poverty, writes Bernstein, is the necessary

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attention needed by children whose mothers don't serve as proper role models. This oversight is responsible for the children's inability to take proper advantage of the one opportunity that can spring them out of the welfare cycle—a solid education. For without a parent to advise them on the value of studying and learning, these children rarely discover the motivation on their own or in classes unable to cope with their special circumstances. Specifically, Bernstein points to the failure to target these children when it most matters and when it can do the most good: at the elementary school level. Otherwise, it's a herculean task to start changing values and habits of a fourteen-year-old who has been allowed to have his own way for eight years of elementary school. Or, as Bernstein puts it: "If it was never made clear that it was important to learn arithmetic, why should one struggle with algebra?"

The battle, therefore, is to get the local schools and, in certain circumstances, welfare departments, to provide the necessary tutoring, health information, and counseling that will foster a child's healthy development until the mother can assume this role. A slow and steady infusion of these values, writes Bernstein, "will enable youngsters to reject the trail that leads to failure—early sexuality and teenage pregnancy."

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